



5<sup>th</sup> January, 2022

National Stock Exchange of India Limited  
BSE Limited

**Scrip Code –**

National Stock Exchange of India Limited: SIEMENS EQ  
BSE Limited: 500550

**Sub: Annual Report for the Financial Year 2020-21 and Notice convening 64<sup>th</sup> Annual General Meeting (“AGM”)**

Dear Sir / Madam,

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the Financial Year 2020-21, including the Notice convening 64<sup>th</sup> AGM of the Members of the Company scheduled to be held on **Friday, 4<sup>th</sup> February, 2022, at 4.30 p.m. (IST)** through Video Conferencing / Other Audio Visual Means.

The said documents are also uploaded on the website of the Company viz. <https://new.siemens.com/in/en/company/investor-relations/annual-reports.html>

Yours faithfully,  
For **Siemens Limited**

**Ketan Thaker**  
Company Secretary

Encl: a/a

**Siemens Limited**  
Management: Sunil Mathur  
CIN: L28920MH1957PLC010839

Birla Aurora, Level 21, Plot No. 1080, Dr. Annie Besant Road, Worli,  
Mumbai – 400030  
India  
Tel.: +91 22 6251 7000  
Website: [www.siemens.co.in](http://www.siemens.co.in)  
E-mail- Corporate-Secretariat.in@siemens.com

Registered Office: Birla Aurora, Level 21, Plot No. 1080, Dr. Annie Besant Road, Worli, Mumbai – 400030. Telephone +91 22 6251 7000. Fax +91 22 24362403.  
Sales Offices: Ahmedabad, Bengaluru, Bhopal, Bhubaneswar, Chandigarh, Chennai, Coimbatore, Gurgaon, Hyderabad, Jaipur, Jamshedpur, Kharghar, Kolkata, Lucknow, Kochi, Mumbai, Nagpur, Navi Mumbai, New Delhi, Puducherry, Pune, Vadodara, Visakhapatnam.



Pharma



110100  
111001

Machine Building



Chemicals



Cranes



Automotive



Food and Beverage



Logistics



Additive  
Manufacturing



Buildings

Real  
world

Digital  
world



Skill  
Development



Hospitals



Energy Transmission  
and Distribution



Rail



Airports



Process Plants



Oil and Gas



Power Generation

## Annual Report 2021

Transforming the everyday by combining  
the real and digital worlds

# Financial Highlights - Siemens Limited

(₹ in Million)

	2020-21	2019-20	2018-19	2017-18	2016-17
<b>Orders received*</b>	146,615	113,853	132,377	127,404	135,030
<b>Income, Profit and Dividend*</b>					
Revenue from operations**	131,045	105,407	136,838	127,251	113,483
Profit Before depreciation, interest, exceptional items and tax (PBDIET)	17,643	13,198	18,703	15,961	13,059
Depreciation	2,282	2,709	2,173	1,967	1,966
Interest	196	296	114	82	77
Profit before exceptional items and tax (PBET)	15,165	10,193	16,416	13,912	11,016
Exceptional Items	-	-	-	-	5,675
Profit Before Tax (PBT)	15,165	10,193	16,416	13,912	16,691
Tax	4,135	2,628	5,547	4,973	5,355
Profit After Tax (PAT)	11,030	7,565	10,869	8,939	11,336
Dividend - %	400%	350%	350%	350%	350%
Dividend - ₹ Per Share	8	7	7	7	7
<b>Share Capital, Assets and Book Value</b>					
Equity share capital	712	712	712	712	712
Other Equity	102,725	94,028	89,724	82,342	76,335
Net Worth (Equity)	103,437	94,740	90,436	83,054	77,047
Loans	25	-	-	-	-
Total Capital Employed	103,462	94,740	90,436	83,054	77,047
Capital Represented by:					
Property, plant and equipment, Capital work-in-progress, other intangible assets and Right-of-Use assets	10,453	12,530	12,486	13,097	13,695
Investments	22,120	550	550	550	550
Net Current Assets & Other Assets	70,864	81,660	77,400	69,407	62,802
Net Assets	103,437	94,740	90,436	83,054	77,047
Book Value - ₹	290.46	266.03	253.95	233.22	216.35
<b>Returns*</b>					
On Revenue from operations (PBET) - %	10.92	9.67	12.00	10.93	9.71
On Capital Employed (PBT) - %	14.66	10.76	18.15	16.75	21.66
On Shareholders Fund (PAT) - %	10.66	7.99	12.02	10.76	14.71
Per Share (PAT) - ₹	30.97	21.24	30.52	25.10	31.83

\* Includes total operations of the Company.

\*\* Revenue from operations for:

2020-21, 2019-20, 2018-19, 2017-18 and the period 1 July 2017 to 30 September 2017 is net of Goods and Service Tax (GST). The period 1 October 2016 to 30 June 2017 is inclusive of excise duty.

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# Board of Directors



**Deepak S. Parekh**  
Chairman



**Yezdi H. Malegam**  
Independent Director  
(Up to 29<sup>th</sup> January, 2021)



**Mehernosh B. Kapadia**  
Independent Director



**Anjali Bansal**  
Independent Director



**Josef Kaeser**  
Director  
(Up to 28<sup>th</sup> February, 2021)



**Mariel von Schumann**  
Director  
(Up to 12<sup>th</sup> February, 2021)



**Johannes Apitzsch**  
Director



**Tim Holt**  
Director



**Matthias Rebellius**  
Special Director (Nominee of  
Siemens Aktiengesellschaft,  
Germany)  
(From 1<sup>st</sup> December, 2020)



**Willem Rudolf Basson**  
Director  
(From 1<sup>st</sup> March, 2021)



**Sunil Mathur**  
Managing Director and  
Chief Executive Officer



**Daniel Spindler**  
Executive Director and  
Chief Financial Officer

# Management



**Bhaskar Mandal**  
Head, Digital Industries



**Gerd Deusser**  
Head, Energy



**Robert H. K. Demann**  
Head, Smart Infrastructure



**Tilak Raj Seth**  
Head, Mobility

## Committees of Directors

(as on 30<sup>th</sup> September, 2021)

### Audit Committee

Mr. Mehernosh B. Kapadia - Chairman

Mr. Deepak S. Parekh

Mr. Johannes Apitzsch

Ms. Anjali Bansal

### Risk Management Committee

Ms. Anjali Bansal - Chairperson

Mr. Deepak S. Parekh

Mr. Johannes Apitzsch

Mr. Mehernosh B. Kapadia

Mr. Matthias Rebellius

Mr. Tim Holt

### Nomination and Remuneration Committee

Mr. Mehernosh B. Kapadia - Chairman

Mr. Deepak S. Parekh

Mr. Matthias Rebellius

Mr. Johannes Apitzsch

### Corporate Governance Committee

Mr. Mehernosh B. Kapadia - Chairman

Mr. Deepak S. Parekh

Mr. Johannes Apitzsch

Mr. Sunil Mathur

Mr. Matthias Rebellius

Mr. Tim Holt

### Stakeholders Relationship Committee

Mr. Mehernosh B. Kapadia - Chairman

Mr. Sunil Mathur

Dr. Daniel Spindler

### Corporate Social Responsibility Committee

Mr. Deepak S. Parekh - Chairman

Mr. Sunil Mathur

Dr. Daniel Spindler

Mr. Johannes Apitzsch

### Share Transfer Committee

Mr. Sunil Mathur - Chairman

Dr. Daniel Spindler

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**Company Secretary**

Mr. Ketan Thaker

**Registered and Corporate Office:**

Siemens Limited  
Birla Aurora, Level 21, Plot No. 1080,  
Dr. Annie Besant Road, Worli, Mumbai 400 030  
Phone: +91 22 6251 7000 Fax: +91 22 2436 2403  
CIN: L28920MH1957PLC010839  
Website: [www.siemens.co.in](http://www.siemens.co.in)

**Registrar and Share Transfer Agent:**

TSR Darashaw Consultants Private Limited  
Phone: +91 22 6656 8484 Extn: 411 / 412 / 413  
Fax: +91 22 6656 8494  
Email: [csg-unit@tsrdarashaw.com](mailto:csg-unit@tsrdarashaw.com); [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in)  
Website: [www.tcplindia.co.in](http://www.tcplindia.co.in)

**Investor Relations Team:**

Contact Person: Mr. Vinayak Deshpande

E-mail: [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com) Phone: +91 22 6251 7000 Fax: +91 22 2436 2403**Details of 64<sup>th</sup> Annual General Meeting****Day and Date** : Friday, 4<sup>th</sup> February, 2022**Time** : 4.30 p.m.

# Chairman's Statement



Dear Shareholders,

The financial year 2020-21 was marked by the onset of the second COVID-19 wave in India. The Government of India and various State Governments, together with citizens, responded in a commendable manner to the unprecedented crisis. These concerted efforts contributed to the Indian economy remaining resilient in the face of disruptions in supply chain, capacity utilization, labor-related concerns, and stress on the healthcare infrastructure.

The International Monetary Fund (IMF) hailed the Government of India's efforts in handling the pandemic, including fiscal support, support to vulnerable groups, monetary policy easing, liquidity provision and regulatory policies. The Indian economy remains one of the high growth economies, and has been steadily recovering from the impact of the pandemic that began in 2020. The accelerated vaccination efforts leading to a significant number of citizens being fully vaccinated, is also contributing to the economic recovery. With an improvement in the economic scenario, there has been an increase in investments across various sectors of the economy and new opportunities are emerging. It, however, needs to be emphasized that the core sectors and the SMEs

need continuous capital investments to drive consistent, all-round economic growth. Only then would capacity utilization and investments in the manufacturing sector improve.

Despite the challenging conditions, all businesses of the Company performed exceedingly well, with the Order Backlog at a record level. The Company's business structure is well oriented in meeting the needs of the industry in improving efficiency, quality, flexibility and speed. With its wide-ranging portfolio, market-oriented organization structure, global technology leadership and strong local competence, the Company is in a good position to partner with the country in sustainable growth.

## Financial Performance – Highlights

For the financial year ended 30<sup>th</sup> September 2021, the Company received New Orders valued at ₹ 142,344 million, a 32.4 percent increase over ₹ 107,517 million in the financial year ended 30<sup>th</sup> September 2020. The Order Backlog as of 30<sup>th</sup> September 2021 stood at ₹ 135,198 million. Sales (excluding other operating revenues) were up by 33.1 percent to ₹ 127,559 million, compared to ₹ 95,808 million in the previous year.

Profits from Operations stood at ₹ 12,312 million compared to ₹ 7,399 million in the previous year. For the year ended 30<sup>th</sup> September 2021, the Company's Profit before Tax stood at ₹ 14,306 million compared to ₹ 10,206 million in the previous year, an increase of 40.2 percent. The Profit after Tax for the year was ₹ 10,627 million, increase by 40.3 percent compared to ₹ 7,574 million in the previous year. The Board of Directors of the Company has recommended a dividend of ₹ 8/- per equity share of the face value of ₹ 2/- each for the Financial Year ended 30<sup>th</sup> September 2021. The above financial performance is for continuing operations.

## Business Performance – Highlights

From an operational perspective, the Company continued to focus on health and safety of its people while maintaining business continuity, meeting customer needs and profitable growth. In addition to introducing innovative solutions and digital technologies to the market, the Company also placed high emphasis on efficient working capital management.

Among the key highlights during the financial year 2021, the Company received an order from India's largest shipbuilder Cochin Shipyard Limited to implement advanced marine solutions for a fleet of boats equipped with electric propulsion and battery-integrated technology. The Company commissioned India's first high-voltage direct current link featuring voltage-sourced converter (VSC) technology for Power Grid Corporation of India Limited (POWERGRID). The Company has also partnered with POWERGRID to commission Static Synchronous Compensator (STATCOM) solutions at POWERGRID's substations at Bikaner, Fatehgarh and Bhadla. The STATCOM will be integrated with voltage-sourced converter (VSC) technology which offers high economical and technical flexibility through its modular design.

The Company signed a Memorandum of Understanding (MoU) with Switch Mobility Automotive Limited to jointly address need of electric commercial vehicle customers and execute e-mobility projects. The MOU is aimed at delivering efficient, cost-effective and sustainable e-mobility solutions to various commercial vehicle customers in India. The Company announced the successful deployment of Smart Metering Technology for over 2,00,000 Smart Meters in North Delhi, together with and Tata Power Delhi Distribution Limited. In the mobility space, the Company provided state-of-the-art automated train technology systems aimed at improving capacity, punctuality, reliability, and provide enhanced safety for passengers of Bengaluru Metro.

The Company further strengthened its manufacturing footprint in India with the opening of a medium voltage switchgear factory in Goa. The state-of-the art factory will produce vacuum interrupters, the centerpiece of medium-voltage switch-gear components.



# Chairman's Statement

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I am also pleased to share that the Company closed the acquisition of C&S Electric Limited during the financial year 2021. The acquisition is aimed at addressing the rising demand for low-voltage power distribution in India and for some export markets. This will bolster the Company's portfolio not only in India, but also for export to competitive international markets in line with its growth strategy.

Adding another feather to its cap, the Company has been empaneled by the Indian Computer Emergency Response Team (CERT-In) to offer information security auditing services to government organizations in addition to its existing cybersecurity enabled offerings.

## **Business Responsibility**

The Company considers it as its economic, environmental, and social responsibility to foster sustainable local development and add value to the local economy in which it operates.

During the financial year 2021, Siemens India announced a contribution of ₹ 200 million towards its efforts against COVID-19, taking the total contribution over the past two years to ₹ 400 million.

The Company's response to the COVID-19 pandemic focused on strengthening the public health system and subsequently supporting the most vulnerable members of the society. The interventions range from providing government hospitals across the country with COVID-19 testing lab, state-of-the-art computer tomography scanner, testing kits, ventilators, oxygen concentrators, oxygen generators, medical supplies and gear. The Company also provided migrant and daily wage workers with dry rations and hygiene kits.

In the area of education, the Company's scholarship program completed its ninth year and so far, has provided holistic development support to 935 engineering students from 93 government engineering colleges across 26 States in India. Fifty percent of these scholarships are offered to girls. The Company also together with the Federal Ministry for Economic Cooperation and Development of the Federal Republic of Germany (BMZ) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH with the support of Ministry of Skill Development and Entrepreneurship, Government of India (MSDE) launched technical education initiative 'IGNITE'. 'IGNITE' aims at developing highly qualified technicians based on the German Dual Vocational Educational Training (DVET) model with a focus to make them industry and future ready.

The Company signed two separate Memorandums of Understanding with Indian Institute of Science (IISc) and Central Manufacturing Technology Institute (CMTI) respectively to establish first-of-its-kind digital transformation labs. The labs are aimed at enhancing the expertise of researchers at IISc as well as technical skills of professionals in the Machine Tool industry. The MoUs will focus on development of Industrial Internet of Things and Industry 4.0-enabled products and technologies. This initiative will encourage adoption of smart digital technologies by Micro, Small & Medium Enterprises (MSMEs) of the manufacturing sector.

In the area of sustainable communities and environment, the Company's Project Asha focuses on villages in Palghar and Aurangabad through interventions in education, healthcare, sanitation, water conservation, energy, livelihood and governance. The Project has helped provide potable water as well as water for irrigation in numerous villages in the two districts. The project focused on watershed development ensuring the availability of drinking water and water for irrigation.

## **People Excellence**

The Company placed utmost priority on the safety, health, and well-being of its employees. Some of the Company's initiatives are Fit4Life, Health Break Programme, Preventive Health Check-ups, Yoga & Meditation Sessions, Health Webinars, Telemedicine, I Care, etc. A cross-functional Siemens Taskforce was constantly reviewing the rapidly changing situation to ensure that measures are always continuously implemented to keep employees safe while also attempting to ensure business continuity.

The other focus areas included retention and development of talent and launching various programs especially in the areas of digitalization. Many initiatives have been taken by the Company to make it an employer of choice and a great place to work. The ongoing initiatives are centered around learning and development, health management, environment protection, health, and safety.

The above measures are in addition to the Company's commitment to facilitate vaccinations for all employees and their families. In these difficult and exceptional circumstances, the Company has taken concrete measures for well-being and is doing everything possible to ensure that every employee feels safe and cared for.

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## Outlook

Despite the challenges that India has faced over the years, the nation has continued to remain one of the most resilient and attractive destinations for investment. The government's efforts on increasing public capital expenditure, providing stimulus packages, introducing favorable reforms and policies are steps in the right direction.

The growth in Gross Domestic Product (GDP), manufacturing and services' PMI are very encouraging signs for India and a boost to exports. Innovation and investment in infrastructure is the key to scaling up manufacturing and growth. India's GDP is expected to grow on the back of innovation, globalization, favorable demographics, and reforms. Domestic demand and consumption will remain the country's strongest economic engine and India has an opportunity to catapult itself as a specialized manufacturing hub in select sectors.

In a way, the 'Atmanirbhar Bharat' initiative is tailor-made for the Company, because it has all the verticals that support productivity in the manufacturing process. Be it Make in India, Digital India, Power for All, Smart Cities, etc. the Company's businesses are aligned to the Government of India's vision. As the public sector capital expenditure picks up, capital expenditure by the private sector will follow and these investments will be smart green infrastructure, electrification, decarbonization technologies, automation and digitization. All these are areas of the Company's core competence.

In fact, the Company has begun to see heightened interest from customers to find digitalization solutions to enable them to reduce their capital expenditure requirements, save cash and increase their productivity. As a focused technology company with a strong local footprint, the Company is in a great position to enable greater productivity and be the preferred choice for customers across all business segments. The Company is also seeing an increase in interest from customers in areas such as waste heat recovery, lift irrigation, power evacuation, e-mobility, decarbonization, water management, battery storage and optimization – many of which also address the sustainability performance. The strategy has been focused on consistent, long-term performance and sustainable value generation. India has been one of the top-performing countries and the parent company's Managing Board has been very supportive of its growth.

In conclusion, I would like to wish good health and safety and sincerely thank our customers, the board, the management, unions and most importantly, the dedicated employees for their consistent support and commitment to Siemens Limited during another challenging year.

**Deepak Parekh**  
Chairman

# Siemens Limited

CIN: L28920MH1957PLC010839

Registered Office: Birla Aurora, Level 21, Plot No. 1080, Dr. Annie Besant Road, Worli, Mumbai – 400030

Phone: +91 22 6251 7000; Fax: +91 22 2436 2403; Website: [www.siemens.co.in](http://www.siemens.co.in)

E-mail: [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com)

## Notice

NOTICE is hereby given that the 64<sup>th</sup> Annual General Meeting of the Members of Siemens Limited will be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), on **Friday, 4<sup>th</sup> February 2022, at 4.30 p.m. (IST)** to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - (a) the Audited Financial Statements of the Company for the Financial Year ended 30<sup>th</sup> September 2021, together with the Reports of the Board of Directors and the Auditors thereon; and
  - (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 30<sup>th</sup> September 2021 and the Report of the Auditors thereon.
2. To declare a dividend on equity shares for the Financial Year 2020-21.
3. To appoint a Director in place of Dr. Daniel Spindler (DIN: 08533833), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

To consider and if thought fit, to pass the following Resolutions:

#### 4. Appointment of Mr. Willem Rudolf Basson (DIN: 09081871) as Director of the Company

##### As an Ordinary Resolution:

**"RESOLVED THAT** Mr. Willem Rudolf Basson (DIN: 09081871), who has been appointed as a Director of the Company by the Board of Directors to fill up the casual vacancy, pursuant to Section 161(4) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Article 106 of the Company's Articles of Association, caused by the resignation of Mr. Josef Kaeser (DIN: 00867264) and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing the candidature of Mr. Basson for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

#### 5. Change in place of keeping Registers, Returns, etc.

##### As a Special Resolution:

**"RESOLVED THAT** in supersession of all Resolutions passed earlier in this regard and pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], approval of the Members of the Company be and is hereby accorded to keep the Registers as prescribed under Section 88 of the Act and copies of Annual Returns under Section 92 of the Act, together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the Registered Office of the Company and / or at the office of TSR Darashaw Consultants Private Limited, Registrar and Share Transfer Agent of the Company at C-101, 1<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400083, Maharashtra, India and / or such other place where the office of the Registrar and Share Transfer Agent of the Company is situated within Mumbai, from time to time.

**RESOLVED FURTHER THAT** the Board of Directors or any Committee thereof of the Company be and are hereby authorized to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto."

#### 6. Payment of remuneration to Messrs R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010), the Cost Auditors of the Company for FY 2021-22

##### As an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Messrs R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 30<sup>th</sup> September 2022, be paid a remuneration of Rs. 20,00,000/- (Rupees Twenty Lakh only) per annum plus applicable tax and out of pocket expenses that may be incurred during the course of audit.

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**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors  
For **Siemens Limited**

**Ketan Thaker**  
Company Secretary  
ACS: 16250

**Registered Office:** Birla Aurora, Level 21, Plot No. 1080, Dr. Annie Besant Road, Worli, Mumbai – 400030

**Corporate Identity Number:** L28920MH1957PLC010839

**Tel.:** +91 22 6251 7000; **Fax:** +91 22 2436 2403

**E-mail / Contact:** [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com) / [www.siemens.co.in/contact](http://www.siemens.co.in/contact)

**Website:** [www.siemens.co.in](http://www.siemens.co.in)

Mumbai  
Friday, 24<sup>th</sup> December 2021

**Notes:**

- a) In view of the COVID-19 pandemic, the Ministry of Corporate Affairs, Government of India ("MCA") has permitted conducting Annual General Meeting through video conferencing ("VC") or other audio-visual means ("OAVM"). In this regard, MCA issued Circular No. 14/2020 dated 8<sup>th</sup> April 2020, Circular No. 17/2020 dated 13<sup>th</sup> April 2020, Circular No. 20/2020 dated 5<sup>th</sup> May 2020 and Circular No. 21/2021 dated 14<sup>th</sup> December 2021 ("MCA Circulars"), prescribing the procedure and manner of conducting the Annual General Meeting through VC / OAVM. In compliance with the applicable provisions of the Companies Act, 2013 ("Act") read with MCA Circulars, the 64<sup>th</sup> Annual General Meeting ("AGM" or "Meeting") of the Members of the Company will be held through VC / OAVM. In compliance with the applicable provisions of the Act and MCA Circulars, the AGM of the Members will be held through VC / OAVM. Hence, Members can attend and participate in the AGM through VC / OAVM only. The venue of the Meeting shall be deemed to be the Registered Office of the Company.
- b) A Member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. Since this AGM is being held through VC / OAVM, as per the framework provided in MCA Circulars, the facility for appointment of proxies by the Members will not be available for this AGM.
- c) Institutional / Corporate Members (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The letter of appointment of representative(s) of the President of India or the Governor of a State; or the authorisation in respect of representative(s) of the Corporations shall be received by the Scrutinizer / Company on or before close of remote e-voting. The said Resolution / Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to [siemens.scrutinizer@gmail.com](mailto:siemens.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- d) The statement setting out the material facts pursuant to Section 102 of the Act concerning the Special Business in the Notice is annexed hereto and forms part of this Notice. The relevant details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standards on General Meetings issued by The Institute of Company Secretaries of India as approved by the Central Government, of the persons seeking appointment as Directors, are also annexed to this Notice.
- e) The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 22<sup>nd</sup> January 2022** to **Friday, 4<sup>th</sup> February 2022** (both days inclusive).

**Dividend payment and Tax on Dividend:**

- f) The dividend, as recommended by the Board of Directors, if declared at the 64<sup>th</sup> AGM, will be paid from **Tuesday, 8<sup>th</sup> February 2022**, to those Members who hold shares in physical form and whose name appears on the Company's Register of Members as holders of Equity Shares on **Friday, 21<sup>st</sup> January 2022** and in respect of shares held in electronic

# Notice

form, to the Beneficial Owners of the shares as at the close of business hours on **Friday, 21<sup>st</sup> January 2022** as per details to be furnished by National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”).

g) Pursuant to the Finance Act 2020, dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source (“TDS”) from dividend paid to the Members at prescribed rates as per Income Tax Act, 1961 (“the IT Act”). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, Permanent Account Number (“PAN”), Category as per the IT Act with their Depository Participants (“DPs”) for shares held in electronic form and in case shares are held in physical form, with the Company by sending relevant documents by **Tuesday, 18<sup>th</sup> January 2022**. For the detailed process, please visit the following weblink: <https://assets.new.siemens.com/siemens/assets/api/uuid:0aa8be52-8ca4-4c87-ac91-29e0ab7bb81e/Siemens-Communication-to-Shareholders-on-TDS.PDF>.

**h) Unclaimed / Unpaid Dividend:**

Pursuant to the provisions of Section 124 of the Act, the dividend which remains unclaimed / unpaid for a period of seven years from the date of transfer to the unpaid dividend account of the Company is required to be transferred to the Investor Education and Protection Fund (“IEPF”) established by the Central Government. During FY 2021, the unclaimed dividend for Financial Year 2012-13 was transferred to IEPF. The unclaimed dividend for the Financial Year 2013-14 and all subsequent years must be claimed as early as possible failing which it would be transferred to IEPF as per the (tentative) dates mentioned hereinbelow:

Financial Year	Tentative date for transfer to IEPF	Financial Year	Tentative date for transfer to IEPF
<b>2013-14</b>		<b>2017-18</b>	
Dividend	28 <sup>th</sup> February 2022	Dividend	10 <sup>th</sup> March 2026
<b>2014-15</b>		<b>2018-19</b>	
Dividend	2 <sup>nd</sup> March 2023	Dividend	17 <sup>th</sup> March 2027
<b>2015-16</b>		<b>2019-2020</b>	
Interim Dividend	5 <sup>th</sup> September 2023	Dividend	19 <sup>th</sup> March 2028
Final Dividend	13 <sup>th</sup> March 2024		
<b>2016-17</b>			
Dividend	7 <sup>th</sup> March 2025		

Members are requested to contact TSR Darashaw Consultants Private Limited (“TSRDCPL”), the Registrar and Share Transfer Agent of the Company for claiming the dividend for the aforesaid years.

The details of the unclaimed dividends are available on the Company’s website at [www.siemens.co.in](http://www.siemens.co.in) and IEPF authority’s website at [iepf.gov.in](http://iepf.gov.in)

Further, pursuant to the provisions of Section 124 of the Act, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the IEPF authority.

The Members / claimants whose shares, unclaimed dividend, sale proceeds of fractional shares etc. have been transferred to the IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on [iepf.gov.in](http://iepf.gov.in)) along with requisite fee as decided by the Authority from time to time. The procedure to claim refund under IEPF Rules and other IEPF related information is also available on the website of the Company at <https://new.siemens.com/in/en/company/investor-relations.html>. Post making the online application the Member / claimant shall send the duly signed Form IEPF 5 along with the requisite documents to the Company at its Registered Office for verification of the claim and payment / transfer of shares by IEPF Authority. All corporate benefits on such shares viz. bonus shares, split of shares etc. including dividend shall be credited to the account of the IEPF Authority. The voting rights on such shares shall remain frozen until the rightful owner claims the shares.

It is in the Members interest to claim any un-encashed dividends and for future, opt for payment through Electronic remittance by registering bank details by following the process as elucidated under point j) below.

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i) **SEBI has mandated that securities of listed companies can be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form, for ease in portfolio management.**

j) SEBI has mandated the updation of PAN, contact, Bank account, specimen signature and nomination details against folio / demat account.

PAN is also required to be updated for participating in the securities market, deletion of name of deceased holder and transmission / transposition of shares. As per applicable SEBI Circular, PAN details are to be compulsorily linked to Aadhar details, by 31<sup>st</sup> March 2022 or any other date specified by Central Board of Direct Taxes.

Members are requested to submit PAN, contact, Bank account, nomination details and specimen signature (as applicable) to their DP in case of holding in dematerialised form or to TSRDCPL [through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) available at <https://new.siemens.com/in/en/company/investor-relations/investor-services.html> in case of holdings in physical form.

k) As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH.13 with TSRDCPL or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of shares held in dematerialised form, the nomination form may be filed with the respective DP. For relevant details / forms, please visit the following - <https://new.siemens.com/in/en/company/investor-relations/investor-services.html>.

l) Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their DP only. Changes intimated to the DP will then be automatically reflected in the Company's records.

Members holding shares in physical form are requested to intimate such changes to TSRDCPL [through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable)].

m) Members holding shares in more than one folio in the same name(s) are requested to send the details of their folios alongwith the share certificates so as to enable the Company to consolidate their holdings into one folio.

n) **Green Initiative**

**The Members can receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Members who have not registered their e-mail address with the Company can register the same by submitting duly filled-in 'E-Communication Registration Form' enclosed at the end of this report (also available on our website [www.siemens.co.in](http://www.siemens.co.in)), with TSRDCPL / Investors' relations team of the Company. The Members holding shares in electronic form are requested to register their e-mail addresses with their DP only.**

**Even after registering for E-communication, the Members are entitled to receive such communication in physical form, upon request.**

In accordance with the provisions of Section 101 of the Act read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the copy of Annual Report of the Company for the Financial Year 2020-21 and this Notice inter-alia indicating the process and manner of remote e-voting are being sent by e-mail, unless any Member has requested for a physical copy of the same, to those Members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the Company by the Depositories. For Members who have not registered their e-mail ids, physical copies of the aforementioned documents are being sent in the permitted mode.

In case a Member is desirous of obtaining physical copy of the Annual Report, you may send your request to [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com) mentioning your Folio No. / DP ID and Client ID or write to us.

o) Members holding shares in physical form are requested to follow the process as elucidated under point j) above for registration of e-mail address for obtaining Annual Report and updation of bank account mandate for receipt of dividend. Members holding shares in dematerialized form are advised to contact their DP and update their details.

p) The Annual Report of FY 2020-21 of the Company alongwith the Notice convening this AGM, will be made available on the Company's website at [www.siemens.co.in](http://www.siemens.co.in) as well as on the Stock Exchange websites ([www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

# Notice

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- q) The statutory documents and relevant documents referred to in this Notice of AGM and statement setting out material facts, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection by the Members from the date of circulation of this Notice up to the date of AGM, i.e. 4<sup>th</sup> February 2022. Members seeking to inspect such documents can send an e-mail to [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com).
- r) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- s) The remote e-voting period commences on **Tuesday, 1<sup>st</sup> February 2022 (9.00 a.m. IST)** and ends on **Thursday, 3<sup>rd</sup> February 2022 (5.00 p.m. IST)** (both days inclusive). During this period, Members holding shares, as on the Cut-off date i.e. **Friday, 28<sup>th</sup> January 2022**, may cast their vote electronically. Once the vote on a resolution is cast by the Member, he / she / it shall not be allowed to change it subsequently.
- t) **Instructions for attending the AGM through VC / OAVM and remote e-Voting (before and during the AGM) are given below:**

## **A. Instructions for attending the AGM through VC / OAVM**

- i. The Members will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access the same by following the steps mentioned below for "Access to NSDL e-Voting system". The link for VC / OAVM will be available in "Shareholder / Member login" where the EVEN (E-voting Event Number) of the Company will be displayed. After successful login, the Members will be able to see the link of ("VC / OAVM") placed under the tab "Join General Meeting" against the name of the Company. On clicking this link, the Members will be able to attend the AGM. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID / Password may retrieve the same by following the remote e-Voting instructions mentioned below to avoid last minute rush.
- ii. Members may join the Meeting through Laptops, Smartphones and Tablets. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Smartphones or Tablets or through Laptops connecting via mobile hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
- iii. Members desirous of getting any information about the financial statements or any other matter in relation to the 64<sup>th</sup> AGM, are requested to write to the Company seven days in advance of the AGM i.e. by 5.00 pm (IST) on Friday, 28<sup>th</sup> January 2022, at [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com) from their registered e-mail address, mentioning their name, DP ID and Client ID number / folio number and mobile number.
- iv. Members who would like to express their views / ask questions as a speaker at the Meeting are requested to pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID / folio number and mobile number at [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com) seven days in advance of the AGM i.e. by 5.00 pm (IST) on Friday, 28<sup>th</sup> January 2022. Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. Members intending to speak at the AGM would require microphone and speakers / headphone. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- v. Facility of joining the AGM through VC / OAVM will be available for Members on first come first served basis as per MCA Circulars. The Members can join the AGM in the VC / OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice of AGM. The Members will be able to view the live webcast / proceedings on the NSDL's e-Voting website at [www.evoting.nsd.com](http://www.evoting.nsd.com).
- vi. Members who need technical assistance before or during the AGM to access and participate in the Meeting may contact NSDL on 1800 1020 990 / 1800 22 44 30 or contact Ms. Pallavi Mhatre, Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**B. Instructions for Remote e-Voting before / during the AGM**

In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and Secretarial Standards for General Meetings, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by NSDL, on all resolutions set forth in this Notice.

**The instructions for remote e-Voting before the AGM are as under:**

**Step 1: Access to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**How to Log-in to NSDL e-Voting website?**

**(a) Login method for e-Voting and joining virtual meeting for Individual Members holding securities in demat mode**

In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on “e-Voting facility provided by Listed Companies”, e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (“ESP”) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process.

Members are advised to update their mobile number and e-mail ID with their DPs in order to access e-voting facility

Login method for Individual Members holding securities in demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL.	<p><b>Users registered for NSDL IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>1. Visit the e-Services website of NSDL viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section.</li> <li>2. You will be prompted to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page.</li> <li>3. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol> <p><b>Users not registered for IDeAS e-Services:</b></p> <p>Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>E-voting website of NSDL</p> <ol style="list-style-type: none"> <li>1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> <li>2. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / One Time Password (OTP) and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</li> </ol>



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	<p>3. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL SPEED-e” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on:</p> <p style="text-align: center;">iOS                      Google Play Store</p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
<p>Individual Members holding securities in demat mode with CDSL</p>	<p><b>Existing users who have opted for Easi / Easiest</b></p> <ol style="list-style-type: none"> <li>1. Login through your User ID and Password. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi</li> <li>2. After successful login into Easi / Easiest, the user will also be able to see the E-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> </ol> <p><b>User not registered for Easi/Easiest</b></p> <p>Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</p> <p><b>Visit the e-Voting website of CDSL</b></p> <ol style="list-style-type: none"> <li>1. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered mobile &amp; e-mail as recorded in the demat account.</li> <li>2. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Members (holding securities in demat mode) login through their DP</p>	<ol style="list-style-type: none"> <li>1. Members can also login using the login credentials of their demat account through their DP registered with NSDL / CDSL for e-Voting facility.</li> <li>2. Once logged in, you will be able to see e-Voting option.</li> <li>3. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>4. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

**Important note:** Members who are unable to retrieve User ID / Password are advised to use ‘Forget User ID’ and ‘Forget Password’ option available at abovementioned website.

**Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Members holding securities in demat mode with CDSL	Contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

(b) **Login Method for e-Voting and joining virtual meeting for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.**

**How to Log-in to NSDL e-voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for Members other than Individual Members are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from [evoting@nsdl.com](mailto:evoting@nsdl.com). Open the e-mail and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) In case you have not registered your e-mail address with the Company / Depository, please follow instructions mentioned in this Notice regarding process for registration of e-mail ids.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

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- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number / folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  8. Now, you will have to click on “Login” button.
  9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-voting system?**

1. After successful login at Step 1, you will be able to see “EVEN” of all the companies in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **The instructions for e-Voting during the AGM are as under:**

- i. The procedure for e-Voting during the AGM is the same as per the instructions mentioned above for remote e-Voting since the Meeting is being held through VC / OAVM.
- ii. The e-Voting window shall be activated upon instructions of the Chairman during the AGM proceedings.
- iii. Only those Members, who will be present in the AGM through VC / OAVM and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote on such resolutions through e-Voting system during the AGM.

### **General Guidelines for Members**

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the ‘Forgot User Details/Password?’ or ‘Physical User Reset Password?’ option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
2. In case of any difficulty or queries pertaining to remote e-Voting (before the AGM and during the AGM), you may refer to the Frequently Asked Questions (FAQs) for Members and e-Voting user manual for Members available in the download of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free nos.: 1800 1020 990 / 1800 22 44 30 or contact Ms. Pallavi Mhatre, Manager, National Securities Depository Limited at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

### **Other Instructions:**

- (i) The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- (ii) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on **Friday, 28<sup>th</sup> January 2022 (“Cut-off date”)**.

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- (iii) Any person holding shares in physical form and non-individual Members, who becomes Member of the Company after despatch of the Notice of the AGM and holding shares as of the Cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or the Company at [corporate-secretariat.in@siemens.com](mailto:corporate-secretariat.in@siemens.com) or to to TSRDCPL at [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in). However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of individual Members holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after despatch of the Notice of the AGM and holding shares as of the Cut-off date may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
- (iv) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the Cut-off date can (i) join the AGM; and (ii) shall be entitled to avail the facility of remote e-voting, as well as voting at the AGM, by following the procedure mentioned in this Notice.
- (v) Mr. P. N. Parikh (FCS 327 CP 1228) or failing him Ms. Jigyasa N. Ved (FCS 6488 CP 6018) or failing her Mr. Mitesh Dhaliwala (FCS 8331 CP 9511) of Messrs Parikh Parekh & Associates, Practising Company Secretaries, have been appointed as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
- (vi) The Scrutinizer shall, after the conclusion of voting at the AGM, unblock and count the votes cast during the AGM and votes cast through remote e-voting and shall make, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
- (vii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.siemens.co.in](http://www.siemens.co.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.

# Notice

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## STATEMENT SETTING OUT MATERIAL FACTS UNDER SECTION 102 OF THE COMPANIES ACT, 2013 (“the Act”)

### Item No. 4

The Board of Directors of the Company at its meeting held on 12<sup>th</sup> February 2021, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Willem Rudolf Basson as Non-Executive, Non-Independent Director on the Board w.e.f. 1<sup>st</sup> March, 2021 in the casual vacancy caused due to the resignation of Mr. Josef Kaeser, Non-Executive, Non-Independent Director.

Pursuant to the provisions of the Act and the Articles of Association of the Company, Mr. Basson holds office upto the date of the 64<sup>th</sup> AGM (being the date upto which Mr. Kaeser would have held office, had he not resigned).

In accordance with Section 161(4) of the Act, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in normal course, the resulting casual vacancy may, in default of and subject to any regulations in the articles of the company, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by members in the immediate General Meeting. Since Mr. Willem Rudolf Basson was appointed by the Board in the casual vacancy, Members’ approval is proposed at the Annual General Meeting.

Mr. Basson, 52, has done his graduation in Commerce from Pretoria University, South Africa. Mr. Basson is the Chief Financial Officer of Digital Industries Division of Siemens AG. In his professional career of over 25 years, Mr. Basson has held senior positions as Financial Controller / Chief Financial Officer in various geographies, in companies like Siemens, Continental and Philips. Mr. Basson has confirmed that he is not debarred or disqualified to act as Director by SEBI or any other authority.

The Company has received a notice pursuant to Section 160 of the Act, from a Member signifying the intention to propose the appointment of Mr. Basson as a Director of the Company.

The profile of Mr. Basson is provided in the Annexure to this Notice.

The Board, after satisfying itself that the appointment of Mr. Willem Rudolf Basson will be in the interest of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, recommends the Ordinary Resolution as set out at Item No.4 of this Notice for approval of the Members.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Basson and his relatives, are interested, financially or otherwise, in the Resolution set out at Item No. 4 of this Notice.

### Item No. 5

The Members of the Company at the Annual General Meeting held on 18<sup>th</sup> January 2007, had approved the Register of Members and other returns / documents, etc. to be kept at the premises of TSR Darashaw Consultants Private Limited (“TSRDCPL”) (previously TSR Darashaw Limited), the Registrar and Share Transfer Agent (“RTA”) of the Company at 6-10 Haji Moosa Patrawala Industrial Estate, 20 Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011 pursuant to the applicable provisions of the Companies Act, 1956.

Pursuant to the provisions of Section 94 of the Act, the Register and Index of Members under Section 88 of the Act and copies of Annual Returns under Section 92 of the Act, etc., are required to be kept at the Registered Office of the Company. However, these documents can be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members reside, if approved by a Special Resolution passed at a general meeting of the company.

Owing to the shifting of the registered office of TSRDCPL, approval of the Members is sought by way of a Special Resolution for keeping the Registers as prescribed under Section 88 of the Act and copies of Annual Returns under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the Registered Office of the Company and / or at the other places mentioned in the Resolution.

The time for inspection of documents, by Members or such persons as are entitled to such inspection, will be between 11.00 a.m. to 1.00 p.m. on any working day of TSRDCPL or by writing to the Company at [corporate-secretariat.in@siemens.com](mailto:corporate-secretariat.in@siemens.com) except when the Registers and Books are closed under the provisions of the Act or the Articles of Association of the Company.

The Board recommends the resolution as set out at Item No. 5 of the accompanying Notice for the approval of the Members of the Company by way of a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution set out at Item No. 5 of this Notice.

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**Item No. 6**

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of Messrs R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010), as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 30<sup>th</sup> September 2022.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought by way of an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration amounting to Rs. 20,00,000/- (Rupees Twenty Lakh only) per annum plus applicable tax and out of pocket expenses that may be incurred by the Cost Auditors for the financial year ending 30<sup>th</sup> September 2022.

The Board recommends the Ordinary Resolution as set out at Item No. 6 of this Notice for approval of the Members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the resolution at Item No. 6 of this Notice.

By Order of the Board of Directors  
For **Siemens Limited**

**Ketan Thaker**

Company Secretary  
ACS: 16250

**Registered Office:** Birla Aurora, Level 21, Plot No. 1080, Dr. Annie Besant Road, Worli, Mumbai – 400030

**Corporate Identity Number:** L28920MH1957PLC010839

**Tel.:** +91 22 6251 7000; **Fax:** +91 22 2436 2403

**E-mail / Contact:** [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com) / [www.siemens.co.in/contact](http://www.siemens.co.in/contact)

**Website:** [www.siemens.co.in](http://www.siemens.co.in)

Mumbai  
Friday, 24<sup>th</sup> December 2021

# Notice

## Profile of Directors being appointed / re-appointed

(as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings)

Name of the Director	Dr. Daniel Spindler	Mr. Willem Rudolf Basson
Director Identification Number	08533833	09081871
Date of birth	6 <sup>th</sup> January 1974	7 <sup>th</sup> March 1969
Date of appointment	1 <sup>st</sup> September 2019	1 <sup>st</sup> March 2021 [appointed in casual vacancy caused by the resignation of Mr. Josef Kaeser (DIN: 00867264)]
Qualification	Business Administration and Conferral of a doctorate from University of Regensburg, Germany.	Graduate in Commerce from Pretoria University, South Africa
Expertise in specific functional areas	Management, Business Administration, Finance and Accounting.	Leadership and General Management, Strategic and Business Planning, Accounting and Finance, Compliance and Risk Management
Experience	Dr. Spindler has been associated with Siemens for over 20 years during which he has held various management positions. Dr. Spindler began his career in Siemens AG as an Apprentice in 1994. From 2001 to 2007 he worked for Siemens AG, Germany in Business Administration – Strategic Controlling and Group Finance & Accounting departments. He joined Audi AG from 2007 to 2009 in a group accounting role. Thereafter he held various senior positions in Siemens across the globe. Over the years, he has been responsible for Management, Business Administration, Finance and Accounting matters. Prior to joining Siemens Limited as Executive Director and Chief Financial Officer, Dr. Spindler was the Chief Financial Officer, Siemens Pte. Ltd., Singapore, since 2018.	Mr. Basson is the Chief Financial Officer of Digital Industries Division of Siemens AG. In his professional career of over 25 years, Mr. Basson has held senior positions as Financial Controller / Chief Financial Officer in various geographies, in companies like Siemens, Continental and Philips.
Directorships held in other companies in India	None	None
Chairmanship / Membership of Committees held in other companies in India	Not Applicable	Not Applicable
Relationship with other Directors and Key Managerial Personnel	None	None
Number of Equity shares held in the Company, including shareholding as a beneficial owner	Nil	Nil

<b>Name of the Director</b>	<b>Dr. Daniel Spindler</b>	<b>Mr. Willem Rudolf Basson</b>
<b>Number of Board Meetings attended during last financial year 2020-21 *</b>	4 (four)	2 (two)
<b>Terms and conditions of appointment</b>	<ul style="list-style-type: none"> <li>- Executive Director and Chief Financial Officer from 1<sup>st</sup> September 2019 to 31<sup>st</sup> July 2023 (Key Managerial Personnel of the Company)</li> <li>- Director liable to retire by rotation</li> </ul>	Non Executive Non Independent Director, liable to retire by rotation.
<b>Details of Remuneration sought to be paid</b>	As approved by Members at the 62 <sup>nd</sup> AGM held on 11 <sup>th</sup> February 2020.	Nil
<b>Remuneration last drawn by the Director</b>	Please refer to the Report on Corporate Governance, which forms an integral part of Annual Report of FY 2020-21.	Nil
<b>Relationships between directors inter-se</b>	None	None
<b>Names of listed entities from which Director has resigned in the past three years</b>	None	None

\* Details provided for the period for which the Directors held directorship of the Company during Financial Year 2020 – 21.



# Directors' Report

Dear Members,

The Directors have pleasure in presenting the 64<sup>th</sup> Annual Report of your Company and the Audited Financial Statements for the year ended 30<sup>th</sup> September, 2021.

## 1. Financial Performance

(₹ in million)

	Standalone	
	2020-21	2019-20
Turnover	131,045	105,407
Less: Expenses	118,361	98,020
Profit from operations before other income and finance costs	12,684	7,387
Add: Other Income	2,190	3,102
Less: Finance costs	196	296
Add: Gain from sale of discontinued operations	487	-
Profit before tax	15,165	10,913
Less: Tax	4,135	2,628
Profit for the year	11,030	7,565
Other Comprehensive income	275	(278)
Impact of Ind AS 116 on opening reserves	-	(72)
Balance in the Statement of Profit and Loss brought forward	60,240	56,030
Amount available for appropriation	71,545	63,245
Appropriations:		
Proposed Dividend	2,493	2,493
Dividend Distribution Tax	-	512
Balance in the Statement of Profit and Loss carried forward	69,052	60,240

## 2. State of the Company's affairs

### i. Operations

The Turnover of the Company was ₹ 131,045 million for the year ended 30<sup>th</sup> September, 2021 as compared to ₹ 105,407 million in the previous year. The Company's Profit from Operations for the year ended 30<sup>th</sup> September, 2021 was ₹ 12,684 million as compared to ₹ 7,387 million in the previous year.

The Profit after Tax for the year ended 30<sup>th</sup> September, 2021 was ₹ 11,030 million as compared to ₹ 7,565 million during 30<sup>th</sup> September, 2020.

### ii. Acquisitions and carve out

#### a. Acquisition of C&S Electric Limited

On 1<sup>st</sup> March 2021, Company acquired 99.22% (approximately) equity shares of C&S Electric Limited from its promoters, for an aggregate consideration of ₹ 21,000 million on a cash free / debt free basis on terms and conditions that are mutually agreed between the parties to the transaction.

#### b. Sale and transfer of Mechanical Drives business

On 1<sup>st</sup> January 2021, the Company sold and transferred its Mechanical Drives business as a going concern on a slump sale basis to Flender Drives Private Limited for a consideration of ₹ 3,759 million (after adjusting the consideration of ₹ 4,400 million for changes in net current assets and capital expenditure as per the terms and conditions agreed between the parties).

#### c. Subscription to Equity share capital of Sunsole Renewables Private Limited

The Company in its continuing efforts to reduce its carbon footprint and the impact on climate change, has decided to procure solar power for its manufacturing facility located at Kalwa, Maharashtra.

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In this regard, the Company has executed a Power Purchase Agreement and has entered into a Share Subscription and Shareholders Agreement on 22<sup>nd</sup> October 2021 for the subscription of 26% of the paid-up equity share capital of Sunsole Renewables Private Limited, Mumbai, India, for an amount not exceeding ₹ 16 million subject to fulfilment of conditions precedent as agreed between the parties.

iii. **Update on second wave of COVID-19**

The second surge of the pandemic had impacted human lives in an unprecedented manner. A cross-functional Siemens India Task Force Team has been working since March 2020 to coordinate the implementation of concrete measures to support employees. In addition, the Company has provided testing kits, oxygen concentrators, oxygen generators etc. to hospitals around the country.

**3. Dividend**

The Board of Directors has recommended a dividend of ₹ 8 per equity share having face value of ₹ 2 each, subject to the approval of the Members at the 64<sup>th</sup> Annual General Meeting. In the previous year, the Company paid a Dividend of ₹ 7 per equity share of ₹ 2 each.

Pursuant to the requirements of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR**"), the Dividend Distribution Policy of the Company is available on the Company's website at <https://new.siemens.com/in/en/company/investor-relations.html>

**4. Share Capital**

During the year under review, there was no change in share capital of the Company.

**5. Subsidiary companies**

Siemens Rail Automation Private Limited ("**SRAPL**") is engaged in the business of manufacture, supply, design, installation and commissioning of Railway Signaling equipment consisting of trackside and on board equipment.

The Company has not made any equity investment in SRAPL during the year.

During the year under review, by virtue of acquisition of 99.22% (approximately) equity shares of C&S Electric Limited ("**C&S**") by the Company, C&S has become a subsidiary of the Company.

C&S is engaged in the business of manufacturing and distribution of low-voltage products and systems business (such as switchboards, power distribution products, control products, protection relays), measurement devices, busduct and busbar trunking.

SRAPL and C&S are non-material and unlisted subsidiaries of the Company pursuant to LODR.

The Company has obtained a certificate from the Statutory Auditor certifying that the Company is in compliance with the Foreign Exchange Management Act, 1999 with respect to downstream investment.

A summary of performance of subsidiaries is provided below.

The turnover of SRAPL for FY 2020-21 stood at ₹1,130 million (0.8%) of consolidated turnover of the Company as compared to ₹ 913 million in the previous year and its Profit from Operations for the year ended 30<sup>th</sup> September, 2021 was ₹ 303 million as compared to ₹ 117 million in the previous year.

SRAPL has reported Profit after Tax for the year ended 30<sup>th</sup> September, 2021 of ₹ 265 million as compared to ₹ 121 million during FY 2019-20.

The turnover of C&S for the period from 1<sup>st</sup> March 2021 to 30<sup>th</sup> September 2021 stood at ₹ 5932 million (4.3%) of consolidated turnover of the Company and its Profit from Operations for the period from 1<sup>st</sup> March 2021 to 30<sup>th</sup> September 2021 was ₹ 163 million.

C&S has reported Profit after Tax for the period 1<sup>st</sup> March 2021 to 30<sup>th</sup> September 2021 of ₹ 77 million.

The Company does not have any joint venture or associate companies during the year.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("**the Act**"), a statement containing salient features of Financial Statements of SRAPL and C&S in the prescribed Form AOC-1 is provided in **Annexure I** forming part of this Report. The Financial Statements of subsidiaries are available on the Company's website at <https://new.siemens.com/in/en/company/investor-relations/financials-of-our-subsiidiaries.html> and the same are also available for inspection as per the details mentioned in notice of the 64<sup>th</sup> AGM. Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same.

# Directors' Report

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## Consolidated Financial Statements

The Annual Audited Consolidated Financial Statements together with the Report of Auditors' thereon forms part of this Annual Report.

## 6. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information pursuant to Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided in **Annexure II** forming part of this Report.

## 7. Corporate Governance

A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management Discussion and Analysis, which forms part of this Report as **Annexure III**.

Pursuant to the requirements of LODR, a detailed report on Corporate Governance along with the Auditor's Certificate thereon forms part of this Report as **Annexure IV**.

General Shareholder Information forms part of this Report as **Annexure V**.

## 8. Directors and Key Managerial Personnel

During FY 2020-21, Mr. Cedrik Neike (DIN:07810035), resigned as Special Director (Nominee of Siemens AG) with effect from close of business hours of 30<sup>th</sup> November 2020.

Mr. Matthias Rebellius (DIN: 08975071) appointed as Special Director (Nominee of Siemens AG) with effect from 1<sup>st</sup> December 2020.

Mr. Yezdi Malegam (DIN: 00092017) ceased to be Independent Director of the Company with effect from 30<sup>th</sup> January 2021 upon completion of his tenure.

Ms. Mariel von Schumann (DIN:06625674) ceased to be Director of the Company with effect from 12<sup>th</sup> February 2021 as she did not seek re-appointment.

Mr. Josef Kaeser (DIN: 00867264) resigned as a Director of the Company with effect from 1<sup>st</sup> March 2021.

During FY 2020-21, based on recommendation of the Nomination and Remuneration Committee ("**NRC**") of the Company, the Board of Directors has appointed Mr. Willem Rudolf Basson (DIN: 009081871) as Director in the casual vacancy caused by the resignation of Mr. Kaeser with effect from 1<sup>st</sup> March 2021 to hold office up-to 64<sup>th</sup> Annual General Meeting of the Company pursuant to provisions of the Act.

The Board of Directors, on the recommendation of NRC has approved the appointment of Mr. Willem Rudolf Basson as Director (Non-Executive Non-Independent Director) with effect from the 64<sup>th</sup> Annual General Meeting subject to approval of the Members. Resolution for appointment of Mr. Basson as Director of the Company forms part of notice of 64<sup>th</sup> Annual General Meeting of the Company.

The Board places on record the appreciation for the valuable services, support and guidance rendered by Mr. Neike, Mr. Malegam, Ms. von Schumann and Mr. Kaeser during their tenure as Director of the Company.

The Independent Directors of the Company viz. Mr. Deepak S. Parekh (DIN: 00009078), Mr. Mehernosh. B. Kapadia (DIN: 00046612) and Ms. Anjali Bansal (DIN: 00207746) have furnished declarations to the Company under Section 149(7) of the Act, confirming that they meet the criteria prescribed for Independent Directors under Section 149(6) of the Act as well as under LODR and that their names have been included in the data bank of Independent Directors as prescribed under the Act.

The Board of Directors is of the opinion that Independent Directors possess necessary expertise, integrity and experience.

Dr. Daniel Spindler (DIN: 08533833) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Mr. Sunil Mathur, Managing Director and Chief Executive Officer (DIN:02261944), Dr. Daniel Spindler, Executive Director and Chief Financial Officer (DIN: 08533833) and Mr. Ketan Thaker, Company Secretary (ACS No.: 16250) are the Key Managerial Personnel of the Company as on the date of this Report.

## 9. Board Meetings

During FY 2020-21, four meetings of the Board of Directors were held. The details of the attendance of Directors at the Board Meetings are mentioned in the report on Corporate Governance annexed hereto.

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## 10. Annual evaluation of Board, its Committees and individual Directors

The details of the Annual evaluation of Board, its Committees and individual Directors are mentioned in the report on the Corporate Governance.

## 11. Audit Committee

The Company has an Audit Committee pursuant to the requirements of the Act read with the rules framed thereunder and LODR. The details relating to the same are given in the report on Corporate Governance forming part of this Report. During FY 2020-21, the recommendations of Audit Committee were duly accepted by the Board.

## 12. Corporate Social Responsibility

At Siemens, we have an unrelenting drive and promise to sustainably improve living conditions for as many people as possible. We deliver on this promise by combining our innovation with our know-how – in the areas of electrification and automation, enhanced by digitalization and by acting as a reliable and responsible partner. Our company-wide Corporate Citizenship framework forms a part of the Sustainability & Citizenship priority area. The Company considers it as its economic, environmental and social responsibility to foster sustainable local development as well as add value to the local economy in which it operates.

In accordance with the provisions of Section 135 of the Act and Rules framed there under, the Company has a Corporate Social Responsibility (“CSR”) Committee of Directors comprising of Mr. Deepak S. Parekh (Chairman) (DIN: 00009078), Mr. Johannes Apitzsch, with effect from 13<sup>th</sup> February 2021 (DIN: 05259354), Mr. Sunil Mathur (DIN: 02261944) and Dr. Daniel Spindler (DIN: 08533833). Ms. Schumann was Member of CSR Committee until 12<sup>th</sup> February 2021. The Committee reviews and monitors the CSR projects and expenditure undertaken by the Company on a regular basis.

The Company implements the CSR projects directly as well as through implementing partners. The details of such initiatives, CSR spend etc., have been provided as **Annexure VI** to this Report, as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

## 13. Remuneration Policy

On recommendation of NRC, the Company has formulated, amongst others, a policy on Directors’ appointment as well as Remuneration Policy for Directors, Key Managerial Personnel, Senior Management and other employees. The details of the Remuneration policy are mentioned in the report on the Corporate Governance and the same is also placed on the Company’s website at <https://new.siemens.com/in/en/company/investor-relations.html>

A Statement of Disclosure of Remuneration pursuant to Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided as **Annexure VII** forming part of this Report.

## 14. Vigil Mechanism

As per the provisions of Section 177(9) of the Act and Regulation 22 of LODR, the Company is required to establish a Vigil Mechanism for Directors and employees to report genuine concerns. The Company has a Policy for Prevention, Detection and Investigation of Frauds and Protection of Whistleblowers (“the Whistleblower Policy”) in place and the details of the Whistleblower Policy are provided in the Report on Corporate Governance forming part of this Report. The Company has disclosed information about the establishment of the Whistleblower Policy on its website <https://new.siemens.com/in/en/company/investor-relations/business-ethics.html>

## 15. Risk Management Policy

Siemens Enterprise Risk Management (ERM) is a company-wide framework of methods and processes used to identify, assess, monitor and mitigate risks and seize opportunities related to achievement of Siemens business objectives. The Siemens ERM approach is based on the globally accepted “The Committee of Sponsoring Organizations of the Treadway Commission” (“COSO”) framework i.e. “ERM – Integrated Framework”. The COSO framework provides a generic concept which has been customized to reflect Company’s requirements.

Major risks identified by the Business Divisions and Corporate Departments are systematically addressed through mitigating actions on a continuing basis. The Company has a Risk Management Committee in accordance with the requirements of LODR to, inter alia, monitor the risks and their mitigating actions. The Board of Directors of the Company also reviews the Risk Assessment and Mitigation Report annually.

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are given in the Management’s Discussion and Analysis, which forms part of this Report.

# Directors' Report

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## 16. Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Act, the Directors confirm that, to the best of their knowledge and belief:

- a) that in the preparation of the Annual Financial Statements for the year ended 30<sup>th</sup> September 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 30<sup>th</sup> September 2021 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual Financial Statements have been prepared on a going concern basis;
- e) that proper internal financial controls are in place and that such internal financial controls were adequate and were operating effectively;
- f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and are adequate and operating effectively.

## 17. Annual Return

In accordance with the provisions of Section 92(3) of the Act, Annual Return of the Company is hosted on website of the Company at <https://new.siemens.com/in/en/company/investor-relations/annual-reports.html>

## 18. Particulars of contracts or arrangements with Related Parties

The particulars of contracts or arrangements with Related Parties referred to in Section 188(1) of the Act, in the prescribed Form AOC - 2, forms part of this report as **Annexure VIII**.

## 19. Particulars of Loans, Guarantees or Investments

A statement providing particulars of loans, guarantees or investments under Section 186 of the Act is provided as **Annexure IX** forming part of this Report.

## 20. Business Responsibility Report

In compliance with Regulation 34(2)(f) of LODR, Business Responsibility Report forms part of the Annual Report, describing initiatives taken by the Company from an environmental, social and governance perspective.

As a Green Initiative, the BRR for FY 2020-21 has been hosted on the Company's website, which can be accessed at <https://new.siemens.com/in/en/company/investor-relations/annual-report.html>

Any Member interested in obtaining a copy of BRR may write to the Company Secretary.

## 21. Fixed Deposits

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

## 22. Amount, if any, proposed to transfer to reserves

The Company has not made transfer to reserves during FY 2020-21.

## 23. Employees

Your Directors place on record their deep appreciation for the contribution made by the employees of the Company at all levels.

The information about employees particulars as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in the Annexure forming part of the Report. In terms of Section 136 of the Act, the Report and Financial Statements are being sent to the Members and others entitled thereto, excluding aforesaid Annexure. The said information is available for inspection by the Members as per the details mentioned in notice of the 64<sup>th</sup> AGM. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

## 24. Policy on Prevention of Sexual Harassment at Workplace

The Company has a Policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder and Internal Complaints Committee has also been set up to redress complaints received regarding sexual harassment. During the year, no complaint with allegations of sexual harassment was received by the Company.

## 25. Auditors

- i. The Report issued by Messrs. B S R & Co. LLP, Chartered Accountants (Firm Registration No.101248W/W-100022), Statutory Auditor for FY 2020-21 does not contain any qualification, reservation, adverse remark or disclaimer.
- ii. The Board of Directors, on recommendation of the Audit Committee, has re-appointed Messrs. R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010), as Cost Auditor of the Company, for the Financial Year ending 30<sup>th</sup> September 2022, at a remuneration as mentioned in the Notice convening the 64<sup>th</sup> AGM and same is recommended for your consideration and ratification.

The Company had filed the Cost Audit Report for FY 2019-20 on 3<sup>rd</sup> March 2021, which is within the time limit prescribed under the Companies (Cost Records and Audit) Rules, 2014.

As per requirements of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records and accordingly, such accounts and records has been maintained in respect of the applicable products for the year ended 30<sup>th</sup> September 2021.

- iii. Pursuant to provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and pursuant to requirement of LODR, the Secretarial Audit Report for FY 2020-21 issued by Secretarial Auditor i.e. Messrs. Parikh Parekh & Associates, Practicing Company Secretaries (Unique Code No. P1978MH01000) is provided as **Annexure X** to this Report. The Secretarial Audit Report for FY 2020-21 does not contain any qualification, reservation, adverse remark or disclaimer.
- iv. There have been no instances of fraud reported by abovementioned Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government during FY 2020-21.

## 26. Compliance with Secretarial Standards

During FY 2020-21, the Company has complied with all applicable Secretarial Standards issued by The Institute of Company Secretaries of India and adopted under the Act.

## 27. Material changes and commitment, if any, affecting financial position of the Company from financial year end and till the date of this report

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial Year to which the Financial Statements relate and the date of this Report.

## 28. Significant and Material Orders passed by the Regulators or Courts

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and operations of the Company in future.

## 29. Acknowledgements

The Board of Directors takes this opportunity to thank Siemens AG – parent company, customers, members, suppliers, bankers, business partners / associates and Central and State Governments for their consistent support and co-operation to the Company.

on behalf of the Board of Directors

For **Siemens Limited**

**Deepak S. Parekh**

Chairman

DIN: 00009078

Mumbai

Wednesday, 24<sup>th</sup> November 2021

# Annexure I to the Directors' Report

## Form No. AOC-1

Pursuant to first proviso to sub-section (3) of Section 129 of the Act read with Rule 5 of Companies (Accounts) Rules, 2014 (as amended)

### Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures:

#### Part "A": Subsidiaries

(₹ in Million)

Name of the subsidiary	Siemens Rail Automation Private Limited	C&S Electric Limited
The date since when subsidiary was acquired	1 <sup>st</sup> October 2014	1 <sup>st</sup> March 2021
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1 <sup>st</sup> October 2020 to 30 <sup>th</sup> September 2021 (Same as that of Holding Company)	*1 <sup>st</sup> March 2021 to 30 <sup>th</sup> September 2021
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable
Share capital	0.65	442.68
Reserves and Surplus	714.99	3,738.66
Total assets	3,003.69	7,708.48
Total Liabilities	2,288.05	3,527.14
Investments	-	-
Turnover	1,130.28	5,932.27
Profit before taxation	356.10	163.04
Provision for taxation	91.36	85.63
Profit after taxation	264.74	77.41
Proposed Dividend	NIL	Nil
% of shareholding	100	99.22

\*Approval for change in financial year from 1<sup>st</sup> October to 30<sup>th</sup> September has since been received from the Ministry of Corporate Affairs.

#### Part "B": Associates and Joint Ventures: Not Applicable

On behalf of the Board of Directors  
For **Siemens Limited**

**Deepak S. Parekh**  
Chairman  
DIN: 00009078

**Sunil Mathur**  
Managing Director  
and Chief Executive Officer  
DIN: 02261944

**Daniel Spindler**  
Executive Director  
and Chief Financial Officer  
DIN: 08533833

**Mehernosh B. Kapadia**  
Director and Chairman of  
Audit Committee  
DIN: 00046612

**Ketan Thaker**  
Company Secretary  
ACS No.: 16250

Wednesday, 24<sup>th</sup> November 2021

## Annexure II to the Directors' Report

# Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

(Pursuant to provisions of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

### A. Conservation of Energy

#### I. Steps taken or impact on conservation of energy:

- i. 1.3 MWh of energy was saved by installation of high efficiency IE 4 motor at injection molding machine Engel 50T in the Switchgear factory at Kalwa  
8 MWh of energy was saved by installation of Variable frequency drive for plastic shop fume extractor panel at Kalwa Switchgear factory  
3.3 MWh of energy was saved by installation of high efficiency IE 4 motor for Air Handling Unit 6 at Kalwa Switchgear factory
- ii. 3 MWh of energy was saved by installation of water misting system on Phase 1 Air conditioners condenser coils
- iii. Replaced all Compact Florescent Lamp to Light Emitting Diode light fittings in the Puducherry factory which helped in saving 23.8 MWh of energy
- iv. Screw type compressor line was used as compressor for both VPI plants. Those have been replaced by portable compressors with the required pressure capacity for the VPI plants which has resulted into energy saving of 15.3 MWh
- v. In Mobility Traction Motor Factory at Nashik for resin fielding on winding of motor, an over sized heating oven was used. This has been ably modified by reducing size of the oven to save 0.6 MWh of energy as well as double the heating capacity for production
- vi. In AIS Aurangabad factory, old direct expansion (DX) invertor unit was replaced by new efficient invertor DX unit which has resulted in saving 62.3 MWh of energy  
Sub-zero provided to control operations of Split Air Conditioners in auto mode. This has resulted into saving 1.4 MWh of energy at AIS Aurangabad factory.  
Stopping air blower operation for thirty minutes after each four hours resulted in saving 6.6 MWh of energy at Aurangabad factory  
Centralized Uninterrupted Power Supply (UPS) installed for entire Aurangabad location by replacing individual UPS with redundancies which has resulted in saving 48.3 MWh of energy  
In Electronics product factory at Aurangabad during breaks, inter operational conveyor belts are stopped, which has resulted in saving 8 MWh of energy  
The compression molding machines at the Electronic products factory at Aurangabad are being stopped during idle operation period of machines. This has resulted in saving 24 MWh of energy

#### II. Steps taken by the Company for utilizing alternate sources of energy:

Installation of roof top solar photovoltaic power generation plants at Kalwa and Aurangabad factories has generated 3,690 MWh of renewable energy which has resulted in saving 2,915 tones of CO2 emissions.

#### III. Capital investment on energy conservation equipment:

The Company made capital investments amounting to ₹ 4 million on energy conservation equipment in FY 2020-21.

### B. Technology Absorption

#### I. Efforts made towards technology absorption:

- i. Introduction of End of Train Telemetry to Indian Market
- ii. Introduction of External Lock Point Machine to Indian Railway
- iii. 3-D scanning of existing machine / plant system for layout optimization and modernization / upgrades / precise manufacturing / data driven decisions
- iv. Remote commissioning support for on-shore project sites and off-shore platforms
- v. Troubleshooting via Remote Diagnostic System for plant operational issues on 24 x 7 basis to put plants back to operation in shortest time frame.



## Annexure II to the Directors' Report

# Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

- vi. Implemented Virtual Reality Based Training Module
- vii. Automated solution and the realization of a robotic machine for the conformal coating process was installed and commissioned
- viii. New ICT and functional fixtures developed locally
- ix. Central monitoring system and new fixtures for HV test equipment with safe operations were developed
- x. AI Based solution for Safety at workplaces/factory using CCTV infrastructure.
- xi. Implemented automatic tester
- xii. Increase capacity on Testing with low value tester
- xiii. Developed indigenous tester
- xiv. State of the art Vacuum Interrupter manufacturing set-up made
- xv. Implemented COBOT cell automation
- xvi. New production setup for 5ST shunt UV.
- xvii. Automated Camera Vision inspection.

### II. Benefits derived as a result of the above efforts:

- Reduction of downtime
- Improved manufacturing and testing capacity
- Cost reduction due to localization
- Increased productivity
- safe work environment for employees

### III. Imported Technology:

Details of Technology imported	Year of Import	Whether the technology has been fully absorbed	If not fully absorbed areas where this has not taken place, reasons thereof
End of Train and Head of Train Device	2020	No	In process
Point Machine S700 K and External Lock device	2020	No	In process
Knowhow of the Vehicle Control Software for Locomotive Control System	2019	Yes	Not applicable
Integrated Traction Converter for E-Loco	2019	Yes	Not applicable
Axle counters for Rail automation – ACM 200	2019	No	In process
Vacuum interrupter technology	2019	Yes	Not applicable
COBOT Automation	2021	Yes	Not applicable
Camera vision system	2019	Yes	Not applicable
3D vision system	2020	Yes	Not applicable
Metallurgical digital microscope	2019	Yes	Not applicable
Base model for combined cycle power plant	2018	No	In Process
Assembly line workbenches	2020	Yes	Not applicable
Tools and testing equipment for thyristor-based HVDC valve modules	2020	Yes	Not applicable

Details of Technology imported	Year of Import	Whether the technology has been fully absorbed	If not fully absorbed areas where this has not taken place, reasons thereof
Hardware & Software for Transient network analyzer engineering setup	2019	Yes	Not applicable
Real Time Digital Simulator upgrade	2019	Yes	Not applicable
72.5-420kV Line Trap	2020	Yes	Not applicable
Variable Shunt reactor	2020	No	Low Volume of total product

**IV. Expenditure incurred on Research and Development: ₹ 110 million**

**C. Foreign exchange earnings and outgo**

Foreign exchange earnings and outgo during Financial Year 2020-21:

(₹ in million)

Foreign Exchange earned in terms of actual inflows	26,159.21
Foreign Exchange outgo in terms of actual outflows	49,856.86

On Behalf of the Board of Directors  
For **Siemens Limited**

**Deepak S. Parekh**  
Chairman  
DIN: 00009078

Mumbai  
Wednesday, 24<sup>th</sup> November, 2021

# Annexure III to the Directors' Report

## Management's Discussion & Analysis

### Overview

The macro-economic environment in the country showed steady signs of revival following a slowdown in 2020 due to countrywide lockdowns resulting from the COVID-19 pandemic. The continued efforts of the Government to accelerate vaccination coverage among citizens also has provided further confidence to Indian Industry.

Various high-frequency macro-economic indicators are now at pre COVID-19 levels. Central Government capital expenditure has increased, with a focus on infrastructure development, while there is an uptick in private investments as well. The revival in capital expenditure and expansion plans was evident in sectors such as power transmission and distribution, pharmaceuticals, steel and cement, food and beverages, railways and metro transport systems.

The second wave of COVID-19 impacted the operations of the company primarily due to supply chain constraints throughout the country, spike in the commodity prices and delayed buying behaviour amongst customers. Despite the challenging conditions, all Businesses of the Company performed exceedingly well, with the Order Backlog at a record level.

The Company's order growth has been robust across all its businesses while it was also observed that the momentum of digitalization adoption has increased across most sectors. The Company also saw a spike in interest from customers in areas like waste heat recovery, lift irrigation, power evacuation, e-mobility, decarbonization, water management, battery storage and optimization, etc. The Company won large orders not only from the public sector but also from the private sector including orders in STATCOMs, Gas Insulated Switchgears (GIS), power generation and distribution, etc.

Though the index of industrial production shows a drop in September 2021, it grew by double digits from May to September 2021 led by services, manufacturing, infrastructure, electricity, and mining sectors. India's manufacturing activity recovered slightly as strengthening demand conditions amid the easing of COVID-19 restrictions boosted sales. India's manufacturing Purchasing Managers Index (PMI) climbed to a 10-month high in November, with the sector witnessing strong expansion.

The focus of the Company continues to be on driving profitable growth, with digitalization being a key focus area.

During financial year 2021, New Orders increased by 32.4 percent at ₹ 142,344 million, compared to ₹ 107,517 million in financial year 2020. Sales (excluding Other operating revenues) were increased by 33.1 percent to ₹ 127,559 million, compared to ₹ 95,808 million in financial year 2020, while Profit after Tax (PAT) was at ₹ 10,627 million compared to ₹ 7,574 million in financial year 2020. The Company's Operating Profit Margin (%) and Net Profit Margin (%) for financial year 2021 was 9.7 and 8.3 compared to 7.7 and 7.9, respectively, in financial year 2020. The Company's Debtors

Turnover stood at 3.8 times while Inventory Turnover was at 6.6 times.

The above financial performance is from continuing operations.

Particulars	2020-21	2019-20
Return on Net Worth (after tax)	10.7%	8.0%

### Digital Industries

Digital Industries provides technologies for the automation and digitalization of the discrete, hybrid and process industries, supporting their digital transformation. Its portfolio consists of industrial software, automation & drive technologies for optimizing the manufacturing value chain, covering product design, production planning, engineering, execution and after-sales services. Its 'Digital Enterprise Suite' offers flexibility and efficiency to various discrete industries, general engineering segments and OEMs engaged in machine tools, printing, packaging and electrical panel manufacturing. The business environment in which the Business operates is primarily driven by core sector industries.

During the financial year 2021, Digital Industries witnessed an improving market environment, with higher customer demand being seen in key verticals such as pharmaceuticals, food and beverage, intralogistics and machine tools. Interest among customers is also increasing in the application of digitalization in areas such as virtual commissioning, industrial security and remote services. The Company's Digital Industries business had higher revenue growth due to increased customer offtake and improved profitability due to cost control measures and productivity improvement.

Among the highlights, the Company won orders from several companies for operational technology cybersecurity, involving assessment and creation of security policies as well as implementation of threat detection system. Other successes included utility digitalization (energy management and KPI dashboard) for a pharmaceutical company as part of its factory digitalization, digital transformation consulting for an agribusiness company, a first-of-its-kind computer numerical control solution for aerospace company's robot-based machining and a device-managed Edge application for an FMCG company's F&D plant.

For financial year 2021, the New Orders increased by 51.6 percent to ₹ 30,007 million, Sales (excluding Other operating revenues) increased by 57.5 percent to ₹ 29,173 million, while Profit from Operations was ₹ 2,330 million compared to ₹ 1,156 million in the previous year.

### Outlook

The global pandemic has accelerated the push towards digitalization and automation among companies. The

momentum is expected to continue in the near future, with an increasing number of small and medium enterprises also investing in an integrated digital approach. Another trend driving adoption for digital and automation solutions is the higher focus on sustainability. Among the solutions that have proven benefits for the manufacturing industry are digital twin of production, cloud-based digital services, data analytics solutions, remote factory acceptance tests, virtual commissioning as well as industrial security and diagnostics services. The Company's Industrial Edge and cloud-based open Internet of Things platform MindSphere could be solutions of choice.

## ENERGY

The Company's Energy Business provides fully-integrated products, solutions, and services across the energy value chain of oil and gas production, power generation and transmission to make society carbon neutral. Its offerings include sustainable products, solutions and services that make fossil energy greener. It also helps deliver decentralized, flexible power; manage the complexities of the grid; improve and de-risk aging assets; and connect supply and demand through storage technologies such as grid-scale batteries and Power-to-X technologies. The Business has a broad customer base that includes oil and gas, utilities, independent power producers, engineering, procurement and construction companies (EPCs), transmission system operators, and industrial companies in sectors such as mining and chemicals.

The Energy business remained resilient against the effects of the pandemic during the financial year 2021, driven mainly by the generation and service business. Customers across verticals such as cement, steel, pharmaceuticals, fertilizer and chemicals are considering solutions such as waste heat recovery. Together with decarbonization, these solutions increase the overall efficiency captive power plants. Significant demand was also witnessed for services such as modernization, EPC integration and data analytics.

Among the highlights, the Company commissioned India's first high-voltage direct current (HVDC) link featuring voltage-sourced converter (VSC) technology. The link connects Pugalur in Tamil Nadu to Thrissur in Kerala. It also announced an order from Cochin Shipyard Limited to implement advanced marine solutions for India's first fleet of 23 boats equipped with electric propulsion and battery integrated technology. The Company also announced orders for advanced power transmission equipment with integrated digital technologies to steel manufacturers from Jalna MIDC belt, Maharashtra – Icon Steel, Geetai Steels and Gajkesari Steels & Alloys. The installation includes state-of-the-art 132 kilovolts Gas Insulated Switchgears which have a modular design and will enable increased efficiency, reduced operational costs and ensure safe operations even under extreme environmental conditions. The Company has also partnered with Power Grid Corporation of India Limited (POWERGRID) to commission Static Synchronous Compensator (STATCOM) solutions at

POWERGRID's substations at Bikaner, Fatehgarh and Bhadla. The STATCOM will be integrated with voltage-sourced converter (VSC) technology which offers high economical and technical flexibility through its modular design.

For financial year 2021, the New Orders increased by 19.4 percent to ₹ 51,144 million, Sales (excluding Other operating revenues) increased by 18.8 percent to ₹ 46,898 million, while Profit from Operations was ₹ 5,918 million compared to ₹ 4,014 million in the previous year.

## Outlook

While the Government of India announced the National Infrastructure Pipeline in the previous year, in financial year 2020-21 it announced further measures to encourage inflow of FDI in the power sector as well as for helping power distribution companies to improve operational efficiencies (Revamped Distribution Sector Scheme). Also, the Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. These developments will require capacity expansion, grid stability as well as new technologies around digitalization, decentralization and decarbonization. As India's economy continues on the post-pandemic recovery path, the demand for sustainable, reliable, and affordable energy will also rise in parallel.

## SMART INFRASTRUCTURE

The Company's Smart Infrastructure (SI) business intelligently connects energy systems, buildings, and industries, enhancing the way people live and work and significantly improving efficiency and sustainability. The business works with customers and partners to create an ecosystem that intuitively responds to the needs of people and helps better utilization of resources. SI helps its customers to thrive and communities to progress and support sustainable development. This is achieved with help of a broad portfolio spanning across grid control & automation; low and medium voltage power distribution, switching and control; building automation, fire safety and security, HVAC control and energy efficiency solutions. The portfolio coverage includes supply of products and systems to providing solutions and digitalization & service offerings.

Among the highlights, the Company closed the acquisition of C&S Electric Limited after receiving the approval of Competition Commission of India on August 20, 2020, and the successful completion of further closing steps during the financial year 2021. The acquisition is aimed at addressing the rising demand for low-voltage power distribution in India and some export markets in addition to expanding the SI portfolio for customers. This will bolster the Company's portfolio not only in India, but also for export to competitive international markets in line with its growth strategy.

Another key milestone for the Company is the joint announcement with Tata Power Delhi Distribution Limited of the successful deployment of Smart Metering Technology for over 2 lakh smart meters in North Delhi. The technology

# Management's Discussion & Analysis

enables timely and accurate collection of electricity meter data leading to increased visibility of the consumer network and reduction in carbon emissions. The business has successfully bagged key projects in Data Center space across both Government and private owned data centers. In line with the focus on sustainability, Siemens Electrification portfolio is being used to power smog towers in Mumbai. SI India is also making steady moves in growth areas such as e-Mobility. The business also signed a Memorandum of Understanding (MoU) with Switch Mobility Automotive Limited to jointly address need of electric commercial vehicle customers and execute e-mobility projects in India. The MoU is aimed at delivering efficient, cost-effective, and sustainable E-Mobility solutions to various commercial vehicle customers in India.

For financial year 2021, the New Orders increased by 24.2 percent to ₹ 40,385 million, Sales (excluding Other operating revenues) increased by 51.5 percent to ₹ 38,889 million, while Profit from Operations was ₹ 2,982 million compared to ₹ 1,013 million in the previous year.

### Outlook

India will have the largest urban transformation of the 21<sup>st</sup> century. The scale of urbanization will create a demand for building new infrastructure and modernizing existing infrastructure. As the pandemic induced slowdown disappears, Government of India is going ahead with initiatives such as National Infrastructure Pipeline (NIP) to provide reliable, quality infrastructure and attract investments into infrastructure which could boost the economy. Also, the production linked incentives announced for various industries is expected to boost the demand for industrial infrastructure. India is also emerging as a key investment destination for key verticals including data centers and pharmaceuticals. Other verticals such as transportation, healthcare are expected to get a boost in the coming years.

In such a scenario, the Company expects growth in demand for technologies such as integrated building management systems, energy optimization, smart grid, e-mobility, smart offices, sustainability services in tune with the new infrastructure and modernization of existing infrastructure. The Company's portfolio is well placed to address the end-to-end requirements of customers across different verticals. The Company's Smart Infrastructure business is committed to deliver resilient and flexible digital technologies for customers and thereby create environments that care.

### MOBILITY

The Company's Mobility business offers intelligent and efficient mobility solutions and freight transportation covering the entire gamut of Rail infrastructure comprising signaling and electrification and Rolling Stock components and systems. This is complemented by customer services across all technologies as well as turnkey solutions.

Indian Railways is among the world's largest rail network and aims to be the key driver of the country's economic

growth and development by being safe, financially viable and environmentally friendly. The focus to achieve this goal is through the resolution of key concerns such as passenger experience, zero fatality, cost and sustainability. Indian Railways is also driving its infrastructure development with enhanced rate of electrification and adapting modern signaling. The railway network remains the most preferred choice for long-distance travel and movement of bulk commodities, apart from being an energy-efficient and economic mode of conveyance and transport.

The Company is actively contributing to Indian Railways by following local addition in the entire value chain of engineering, manufacturing, installation, and commissioning along with after sales services. The Company is offering customized solutions based on its strategic pyramid of electrification, automation, and digitalization to ensure customers experience an uninterrupted operation. The Company's specific solutions on Rolling stock propulsion for their locomotives, hotel load converters and the signaling solutions are aiding Indian Railways meet their aspirations of adding capacity and improving throughput, in addition to the greener aspect of the technology to support customers' Environmental, Social, and Governance (ESG) goals.

The Company's Mobility business continued expansion of its Metro footprint too by delivering state-of-the-art electrification technologies systems for the Kolkata Metro Phase 1 and 2. It also provided cutting-edge automated train technology systems for Phase 2 of Bengaluru Metro. Among other highlights were the electrification of more than 1,000 kms of Mainline Railways, signaling systems for Dedicated Freight Corridor and contracts for maintenance of Mumbai EMU from Central Railways, the Delhi Airport Metro Extension Line and the Extension line of 20 kms for Rail Vikas Nigam Limited.

For financial year 2021, the New Orders increased by 62.8 percent to ₹ 14,173 million, Sales (excluding Other Operating Revenues) reduced by 2.3 percent to ₹ 8,217 million, while Profit from operations was ₹ 817 million compared to ₹ 953 million last year.

### Outlook

The Mobility Market in India is continuously growing and adding infrastructure assets on regular basis. There is focus on speed upgradation, modernization of Rolling Stocks as well as enhancing capacity and throughput. The impetus of government on 'Make in India' as well as 'Atmanirbhar Bharat' are important initiatives aiding the infrastructure creation at a fast pace and bringing in long term sustainability to the Rail Industry players in India. Investment in research, design, manufacturing, and digitalization will be the key drivers in transformation of Indian Railways. The Indian Railway launched the National Rail Plan, Vision 2024, to accelerate implementation of critical projects and the Mobility businesses sees a great opportunity in partnering the Railways in such projects. Special emphasis is also being given to hygiene,

cleanliness, digital systems, and safety keeping in mind the COVID-19 impact. The order position of the Company is therefore largely dependent on the timing when these opportunities are tendered.

### PORTFOLIO COMPANIES

Portfolio Companies is a dedicated business focused on specific industry verticals such as Minerals, Mining and Cement, Irrigation, Oil & Gas, Metals, Pulp and Paper, Marine Ports, Renewables and Defense. The Portfolio Companies include Large Drives Applications, which produces heavy-duty electrical drive systems such as electrical motors, and converters for high-voltage ranges as well as turnkey Electrical, Automation and Instrumentations solutions for cement and mining industries.

Among the highlights, the Large Drives Applications team won an order from one of the largest cement manufacturers in India for an integrated automation solution for its cement plants and grinding units. It also won an order for medium voltage drives to be installed at the lift irrigation project in Rayalaseema, Andhra Pradesh – a project of national significance. The lift irrigation project envisages lifting and channelizing water throughout the year towards drought-hit districts. It also won an order for medium voltage motors enabling supply of drinking water in Mussoorie, Uttarakhand.

For financial year 2021, the New Orders increased by 80.5 percent to ₹ 6,634 million, Sales (excluding Other operating revenues) increased by 14.7 percent to ₹ 4,279 million, while Profit from Operations was ₹ 251 million compared to ₹ 200 million in the previous year.

### Outlook

Demand for products related to Portfolio Companies is driven by energy-saving requirements in existing industrial fan or pump applications. The Large Drive Applications business is dependent on improvement in the demand from core sectors and incentives to achieve self-sufficiency in manufacturing. While there has been an improvement in the capacity utilization of cement plants and the metals sector has begun its recovery, sustained government spending is key.

### PEOPLE AND ORGANIZATION

During financial year 2021, the Company announced concrete measures for the wellbeing of its people in the difficult and exceptional circumstances brought on by the global pandemic. To support families of its people, who lost their lives to COVID-19, the Company announced a lumpsum financial assistance of ₹ 25 lakh in addition to one year's salary of the employee. Furthermore, support towards school fees and continued medical insurance for immediate family members was also provided.

Right from the beginning of this crisis, the Company has been continuously communicating with all employees across India through various means such as townhalls, advisories, posters, videos and safety booklet, location-specific updates.

In addition, all our employees and their families have access to a 24/7 medical and counselling helpline facility to seek advice from competent & highly skilled medical professionals on any health concerns and to support them on health, mental well-being and stress-related issues as well.

The above measures are in addition to Siemens' commitment to facilitate vaccinations for all employees and their families. In these difficult and exceptional circumstances, the Company has implemented concrete measures for their well-being of its employees and their families. It will continue and is doing everything possible to ensure that every employee feels safe and cared for.

The Company granted supplemental leave for colleagues recovering from COVID-19 and additional 10 days Wellness Leave for every employee. The above measures were in addition to the Company's commitment to facilitate vaccinations for all employees and their families. During the financial year, the Company further enhanced its wellbeing program under I Care @ Siemens built around the concept of people taking ownership of their own wellbeing. A range of initiatives and services were made available such as Leadership & Culture in the New Normal, Let's Connect, Manager Sensitization Program and employee self-assessment tool.

Among the highlights, the Company received the 15<sup>th</sup> BML Munjal Award for "Business Excellence through Learning and Development" in the Private Sector Manufacturing category. The award recognizes organizations for innovations in skill and development; they also acknowledge organizations that effectively harness employee talent through training and learning to gain competitive advantage.

The Company has established mobile working as core component of the "new normal". The New Normal Working Model fits seamlessly into its concept for the future of work. The Company is using this model to pursue the goal of developing new ways of working together on a mobile, digital basis. The Company trusts its employees and empowers them to achieve the best possible results. Its innovative cloud-based IT infrastructure has been instrumental in this entire transition.

The Company continues to have a cordial relationship with its Unions.

As of September 30, 2021, Siemens Limited had 8,608 employees compared to 9,258 as on September 30, 2020.

### COMPLIANCE

The Company's active ownership culture makes the difference. We place Integrity at the heart of everything we do. People rightly associate the Company with Reliability, Fairness and Integrity. Promoting Integrity means acting in accordance with our Values – Responsible, Excellent and Innovative. The Company's rules are contained in the Business Conduct Guidelines ("BCG") which help its employees apply Siemens values to conduct business, besides complying applicable laws

# Annexure III to the Directors' Report

## Management's Discussion & Analysis

of the land and prohibition of corruption and other violations of the principles and rules of fair competition.

The Company has a 24/7 whistleblower hotline, "Tell Us" through which any compliance violations including potential cases can be notified. This is available for Employees, Directors, as well as External Stakeholders. It is operated by a provider that is independent of Siemens to enable receipt of anonymous as well as protected information to be passed on without any bias or any sort of retaliation against whistleblowers.

The Company continues to exhibit "zero tolerance" towards any non-compliant behavior and violations have attracted disciplinary consequences, in line with the Company's stress on "Clean Business Everywhere, Every time". (Details on compliance activities are included in the Business Responsibility Report available on [www.siemens.co.in](http://www.siemens.co.in)).

The Company is fully aware of its obligations to create a sustainable environment and thus continues its drive to create awareness about a corruption-free environment by addressing the topic of corporate corruption at public forums as well as invites from like-minded corporates to provide an overview of Siemens compliance processes and demonstrating by example the feasibility of combating corruption, a task that the corporate world has acknowledged. The Company aims at the creation of a level playing field for corporates to operate in a corruption free environment.

### RISK & INTERNAL CONTROL

The Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting (ICFR). The ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with applicable accounting principles and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

The Company's Management assessed the effectiveness of the Company's ICFR as of September 30, 2021. As a result of the evaluation, the Management has concluded that the Company's ICFR was effective as of September 30, 2021 with no significant deficiency.

During the year, the Company actively participated in industry forums of Enterprise Risk Managers. The Risk and Internal Control team is actively involved in training and developing the employees of the company, as well as of group companies to foster a conducive internal control environment and risk culture. The Siemens Enterprise Risk Register captures key points related to the risks that could impact the businesses and ensures that adequate mitigation measures are put in place and monitored.

### ENVIRONMENTAL PROTECTION, HEALTH MANAGEMENT AND SAFETY

The Company's Environmental Protection, Health Management and Safety (EHS) performance is monitored regularly by the Board of Directors as well as the Heads of Business who actively propagate EHS through constant communications and business review meetings.

During the financial year 2021, the company further intensified its efforts to reaffirm zero harm by implementing CAPA (Corrective Action, Preventive Action) tracker across businesses. Each CAPA tracker cycle focused on high-risk activities at factories and project sites, review of risk assessments with active collaboration of experts and headquarter colleagues. A company wide safety campaign "Hamari Suraksha, Hamara Sankalp" was also launched. Over 30,000 person hours of safety trainings through inhouse Occupational Safety Training Center (SITRUST) were conducted. Besides this, training on specific safety topics including behavior-based safety was carried out at sites and factory shopfloors.

In financial year 2021, COVID-19 infections saw a new surge especially during the second wave in period April to June. The Company had over 2000 reported cases, nearly 85% of total cases since start of pandemic. Employees were actively encouraged to regularly update the Company's own Health & Travel Declaration App. The team of Health Management Professionals closely monitored employee health status on a daily basis and proactively supported employees in the high-risk categories, thereby significantly contributing to employee wellbeing.

The Company drew a comprehensive plan to vaccinate its employees and their families spread across multiple locations. The Company organized over 90 camps in 21 locations and achieved nearly 80% vaccination (2 doses). Extensive awareness initiatives were organized throughout the year on vaccination, safety protocols as well as physical and mental wellbeing. The Company initiated several measures under the "I Care" banner during financial year 2021 for overall psychosocial wellbeing.

During the fiscal year, the operations in the factories and project sites were maintained per detailed standard operating procedures and government guidelines, receiving appreciation from customers. In addition, regular RTPCR testing and robust EHS measures adapting existing processes as per requirement enabled business continuity while keeping employee

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wellbeing at the core. The cross-functional COVID-19 Task Force continuously monitored the situation and ensured implementation of proactive and timely measures in close alignment with the Management team.

As part of its initiatives to improve environmental protection, the Company undertook various measures that led to improved energy and water efficiency in its various manufacturing units. The Company implemented the Extended Producer Responsibility program for collection and recycling of electrical and electronic waste and plastic waste. During the financial year, the Company has recycled 7 metric tons of e-waste and 299 metric tons of plastic waste.

The company has a solar roof top installation; carbon footprint has been reduced by 2915 tons during the financial year 2021.

## OUTLOOK

The Indian economy has remained relatively resilient against the uncertainty and disruptions caused by the unprecedented COVID-19 pandemic, in spite of the particularly severe second wave. Growth in demand was seen in various sectors such as automotive, chemicals, steel, cement, food and beverages and pharmaceuticals. In addition, indicators such as collections of Goods and Services Tax and E-Way Bills, factory output, power consumption, increasing exports, railway freight and higher foreign direct investments are further evidence of the sustained improvement. Going forward, the resurgence of the COVID variants and sustained increase in commodity prices remain cause for concern.

The Government also announced further measures to instill confidence and boost investments, which are key to the success of long-term programs such as Atmanirbhar Bharat, Power for All, production linked incentive scheme, National Infrastructure Pipeline, National Rail Plan, Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME), etc.

During the financial year 2021, there was continued growth in demand and interest for digital and automation solutions, which is a combination of both pent-up as well as fresh demand. While Industry 4.0, artificial intelligence, additive manufacturing and energy efficiency has already gained a foothold in the mindshare of customers, cybersecurity, industrial security, building automation, virtual commissioning

and remote services gained momentum in the past financial year. The demand is emerging from not only large corporates but also small and medium enterprises across verticals.

In this scenario of accelerating adoption of automation and digital solutions, the Company will continue to put a major thrust on technology to strengthen our market position as a focused technology company. The Company's DEGREE Framework (Decarbonization, Ethics, Governance, Resource Efficiency, Equity and Employability) will be central to its growth strategy. The Company is well-positioned to leverage industrial and infrastructure development opportunities and its focus remains on sustainable profitable growth.

The Management of the Company believes that higher growth will depend largely on the increase in demand in the Indian economy as also an increase in Infrastructure Spending by the Government.

**Note:** This report contains forward-looking statements based on beliefs of Siemens' management. The words "anticipate," "believe," "estimate," "forecast," "expect," "intend," "plan," "should," and "project" are used to identify forward-looking statements. Such statements reflect the Company's current views with respect to future events and are subject to risks and uncertainties. Many factors could cause the actual result to be materially different, including, among other things, changes in general economic and business conditions, changes in currency exchange rates and interest rates, introduction of competing products, lack of acceptance of new products or services, and changes in business strategy. Actual results may vary materially from those projected here. Siemens does not intend to assume any obligation to update these forward-looking statements.

On behalf of the Board of Directors

**For Siemens Limited**

**Deepak S. Parekh**

Chairman

DIN - 00009078

Mumbai, 24<sup>th</sup> November 2021



# Annexure IV to the Directors' Report

## Corporate Governance Report

[As per Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

### I. Company's Philosophy on Corporate Governance

A clearly structured and fully implemented corporate governance system is the Company's highest priority. Good corporate governance is the basis for decision-making and control processes.

### II. Board of Directors

#### a. Composition

The Board of Directors (Board) currently comprises of 9 experts drawn from diverse fields / professions. The Board has an optimum combination of Executive and Non-executive Directors, which is in conformity with the requirement of LODR in this regard. The Chairman of the Board is a Non-executive and Independent Director. All Directors, except the Independent Directors, Managing Director and Special Director [Nominee Director of Siemens Aktiengesellschaft, (Siemens AG)] are liable to retire by rotation.

There is no relationship between the Directors inter-se.

The Composition of the Board<sup>(5)</sup>, Directorship / Committee positions in other companies as on 30<sup>th</sup> September, 2021, number of meetings held and attended during the Financial Year (FY) are as follows:

	Name	Category <sup>(1)</sup>	Board Meetings during FY 2020-21		Attendance at last Annual General Meeting (AGM) held on 12.02.2021	Other Directorships in India <sup>(2)</sup>	Committee positions in India <sup>(3)</sup>	
			Held	Attended			Member	Chairman
1	Mr. Deepak S. Parekh <sup>(9)</sup> (Chairman)	NED (I)	4	4	Yes	5 <sup>#</sup>	1	NIL
2	Mr. Yezdi H. Malegam <sup>(5)(10)</sup>	NED (I)	1	1	N.A.	N.A.	N.A.	N.A.
3	Mr. Mehernosh B. Kapadia <sup>(9)</sup>	NED (I)	4	4	Yes	4 <sup>#</sup>	3	2
4	Ms. Anjali Bansal <sup>(9)</sup>	NED (I)	4	4	Yes	4 <sup>#</sup>	3	NIL
5	Mr. Cedrik Neike <sup>(4)(10)</sup>	NED	1	1	N.A.		N.A.	
6	Mr. Matthias Rebellius <sup>(4)(10)</sup>	NED	3	3	Yes	NIL	N.A.	
7	Mr. Josef Kaeser <sup>(7)(10)</sup>	NED	2	2	Yes		N.A.	
8	Mr. Johannes Apitzsch	NED	4	4	Yes	NIL	N.A.	
9	Ms. Mariel von Schumann <sup>(6)(10)</sup>	NED	2	2	Yes		N.A.	
10	Mr. Tim Holt	NED	4	4	Yes	NIL	N.A.	
11	Mr. Willem Rudolf Basson <sup>(8)(10)</sup>	NED	2	2	N.A.	NIL	N.A.	
12	Mr. Sunil Mathur	WTD	4	4	Yes	1	NIL	
13	Dr. Daniel Spindler	WTD	4	4	Yes	NIL	N.A.	

#### Notes:

- (1) Category: WTD - Whole-time Director, NED – Non-executive Director, NED (I) – Non-executive Director and Independent.
- (2) Includes directorships in public limited companies. None of the Directors of the Company hold Independent Directorships / Directorships in more than 7 listed companies.
- (3) Includes only Audit Committee and Stakeholders Relationship Committee of public limited companies other than Siemens Limited. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all companies in which they are Directors.
- (4) Mr. Matthias Rebellius is appointed as Special Director (Nominee of Parent Company, Siemens AG) with effect from 1<sup>st</sup> December, 2021. Mr. Cedrik Neike ceased to be Special Director with effect from close of business hours on 30<sup>th</sup> November, 2021 .
- (5) Mr. Yezdi H. Malegam, upon completion of his tenure, ceased to be Independent Director of the Company with effect from 30<sup>th</sup> January, 2021.
- (6) Ms. Mariel von Schumann ceased to be Non-Executive Director of the Company with effect from conclusion of the 63<sup>rd</sup> Annual General Meeting of the Company held on 12<sup>th</sup> February, 2021.

- (7) Mr. Josef Kaeser ceased to be Non-Executive Director of the Company with effect from 1<sup>st</sup> March, 2021.
- (8) Mr. Willem Rudolf Basson is appointed as Director of the Company in casual vacancy caused by the resignation of Mr. Josef Kaeser with effect from 1<sup>st</sup> March, 2021.
- (9) The Board of Directors have noted the declaration received from the Independent Directors pursuant to the Companies Act, 2013 and LODR with regard to their Independence and are of the opinion that the Independent Directors fulfil the conditions of independence and are independent of the management of the Company.
- (10) Details provided for the period for which the Directors held directorship of the Company during FY 2020 – 21.
- (\$) The Board evaluates its composition to ensure that the Board has the appropriate mix of skills, experience, independence and knowledge to ensure their continued effectiveness. The Board Members should, at a minimum, have background that when combined provide a portfolio of experience and knowledge that will serve Siemens's governance and strategic needs. Directors should have demonstrated experience and ability that is relevant to the Board's oversight role with respect to Siemens business and affairs.

The skills / expertise / competencies required for the effective functioning of the Company includes leadership and general management, strategic and business planning, technology, accounting and finance, compliance and risk management. The abovementioned skills / expertise / competencies are available with the Board as a whole.

In the table below, the specific areas of expertise of individual Board members are as under:

Director	Area of Expertise					
	Leadership and General Management	Strategic and Business Planning	Technology	Accounting and Finance	Compliance	Risk Management
Mr. Deepak S. Parekh	✓	✓		✓	✓	✓
Mr. Mehernosh B. Kapadia	✓	✓		✓	✓	✓
Ms. Anjali Bansal	✓	✓		✓	✓	✓
Mr. Johannes Apitzsch	✓	✓	✓	✓	✓	✓
Mr. Sunil Mathur	✓	✓	✓	✓	✓	✓
Dr. Daniel Spindler	✓	✓	✓	✓	✓	✓
Mr. Tim Holt	✓	✓	✓	✓	✓	✓
Mr. Matthias Rebellius	✓	✓	✓	✓	✓	✓
Mr. Willem Rudolf Basson	✓	✓		✓	✓	✓

# - Details of Directorships of Directors (as applicable) in other listed Companies –

Name of Director	Name of Company	Category of Directorship
Mr. Deepak S. Parekh	Housing Development Finance Corporation Limited HDFC Life Insurance Company Limited HDFC Asset Management Company Limited HDFC ERGO General Insurance Company Limited	Non- executive Director
Mr. Mehernosh B. Kapadia	Tata Capital Housing Finance Limited HDFC ERGO General Insurance Company Limited	Independent Director
Ms. Anjali Bansal	The Tata Power Company Limited. Voltas Limited Piramal Enterprises Limited	Independent Director

# Annexure IV to the Directors' Report

## Corporate Governance Report

[As per Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

### Board Meetings

During the FY 2020-21, 4 Meetings were held on 25<sup>th</sup> November, 2020, 12<sup>th</sup> February, 2021, 11<sup>th</sup> May, 2021 and 10<sup>th</sup> August, 2021.

The gap between any two Meetings did not exceed 120 days. Further, the Company has adopted and adhered to the Secretarial Standards prescribed by The Institute of Company Secretaries of India and approved by the Central Government.

Agenda papers containing all necessary information / documents are made available to the Board / Committees in advance to enable the Board / Committees to discharge its responsibilities effectively and take informed decisions. Where it is not practicable to attach or send the relevant information as a part of agenda papers, the same are tabled at the meeting or / and the presentations are made by the concerned managers to the Board, subject to compliance with legal requirements. Considerable time is spent by the Directors on discussions and deliberations at the Board / Committee Meetings.

The information as specified in Schedule II to the LODR is regularly made available to the Board, whenever applicable, for discussion and consideration.

### III. Committees of Directors

#### A. Mandatory Committees

##### i. Audit Committee

#### Composition & Meetings

The Audit Committee (AC) comprises of experts specialising in accounting / financial management. The Audit Committee comprises of 4 members, all being Non-executive Directors with 3/4<sup>th</sup> majority being Independent Directors and the Chairman of the Audit Committee is a Non-executive and Independent Director.

During the FY 2020-21, 4 Meetings were held on 25<sup>th</sup> November, 2020, 12<sup>th</sup> February, 2021, 11<sup>th</sup> May, 2021 and 10<sup>th</sup> August, 2021. Details of the composition and attendance at the aforementioned Meetings are as follows:-

Name	No. of meetings during FY 2020-21	
	Held	Attended
Mr. Yezdi H. Malegam, Chairman <sup>(1)</sup>	1	1
Mr. Mehernosh B. Kapadia, Chairman <sup>(2)</sup>	4	4
Mr. Deepak S. Parekh	4	4
Mr. Johannes Apitzsch	4	4
Ms. Anjali Bansal	4	3

#### Notes:

- (1) Mr. Yezdi H. Malegam, upon completion of his tenure as Independent Director of the Company, ceased to be Chairman of the Committee with effect from 30<sup>th</sup> January, 2021. Details provided for the period for which he held Chairmanship of the Committee during the FY 2020 – 21.
- (2) Mr. Mehernosh B. Kapadia was appointed as Chairman of the Committee with effect from 30<sup>th</sup> January, 2021. Details provided for the period for which he held Chairmanship / Membership of the Committee during the FY 2020 – 21.

The Company Secretary is the Secretary to the Committee.

The Chief Executive Officer, Chief Financial Officer, Head of Accounts, Internal Auditors and the Statutory Auditors are permanent invitees to the Meetings.

#### Terms of reference

The terms of reference are briefly described below:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 3) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- 4) Recommending to the Board, the appointment and remuneration of Cost Auditor.

- 
- 5) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
  - 6) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
    - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of the Companies Act, 2013;
    - b. Changes, if any, in accounting policies and practices and reasons for the same;
    - c. Major accounting entries involving estimates based on the exercise of judgment by management;
    - d. Significant adjustments made in the financial statements arising out of audit findings;
    - e. Compliance with listing and other legal requirements relating to financial statements;
    - f. Disclosure of any related party transactions; and
    - g. Qualifications in the draft audit report.
  - 7) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
  - 8) Reviewing, with the management, performance of internal auditors, adequacy of the internal control systems.
  - 9) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  - 10) Discussing with internal auditors any significant findings and follow up there-on.
  - 11) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  - 12) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  - 13) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
  - 14) To review the functioning of the Whistle Blower mechanism.
  - 15) To scrutinize inter-corporate loans and investments.
  - 16) To review guidelines for investing surplus funds of the Company.
  - 17) To review investment proposals before submission to the Board.
  - 18) To review proposal for mergers, demergers, acquisitions, carve-outs, sale, transfer of business / real estate and its valuation report and fairness opinion, if any, thereof.
  - 19) Approval or any subsequent modification of transactions of the Company with related parties.
  - 20) To approve the valuation of undertakings or assets of the Company, wherever it is necessary.
  - 21) To appoint valuers for the valuation of any property, stocks, shares, debentures, securities or goodwill or any other assets or net worth of Company or liability of the Company under the provision of the Companies Act, 2013.
  - 22) To ensure proper system of storage, retrieval, display, or printout of the electronic records.
  - 23) To evaluate internal financial controls and risk managements systems.
  - 24) Any other requirement in accordance with the applicable provisions of the LODR and / or the Companies Act, or any re-enactment, amendment or modification thereto from time to time.
  - 25) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
  - 26) Carrying out such other function as may be delegated by the Board from time to time.
  - 27) Review the following information:-

# Annexure IV to the Directors' Report

## Corporate Governance Report

[As per Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions, (as defined by the Audit Committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses;
- e. The appointment, removal and terms of remuneration of the chief internal auditor and
- f. The financial statements, in particular, the investments made by unlisted subsidiary companies.

The Audit Committee is vested with the necessary powers, as defined in its Charter, to achieve its objectives.

The Chairman of the Audit Committee was present at the 63<sup>rd</sup> AGM of the Company held on 12<sup>th</sup> February, 2021.

### ii. Stakeholders Relationship Committee

#### Composition & Meetings

The Stakeholders Relationship Committee (SRC) comprises of 3 members. The Chairman of the Committee is a Non-executive and Independent Director.

During the FY 2020-21, the Committee met twice on 12<sup>th</sup> August, 2021 and 27<sup>th</sup> September, 2021 which was attended by all members. The details of composition are as follows; Mr. Mehernosh B. Kapadia, Chairman, Mr. Sunil Mathur and Dr. Daniel Spindler.

The Company Secretary is the Secretary to the Committee and is the Compliance Officer pursuant to the requirements of LODR.

The SRC primarily considers and resolves grievances of the security holders of the Company and looks into the mechanism for addressing the same. It reviews measures taken to ensure timely receipt of corporate benefits to the shareholders and exercise of their voting rights, adherence to service standards in respect of services rendered by the Registrar and Share Transfer Agent and also suggests improvements to investor relations initiatives undertaken at the Company.

#### Details of Investors' Complaints

The Company and TSR Darashaw Consultants Private Ltd., (TSRDCPL) Registrar & Share Transfer Agent, attend to all grievances of the investors received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc.

Barring certain cases pending in Courts, relating to disputes over the title to shares, in which either the Company has been made a party or necessary intimation thereof has been received by the Company, all the investor grievances / correspondences have been promptly attended to from the date of their receipt.

The details of complaints received, cleared / pending during the FY 2020-21 is given below:

Nature of Complaints	Received	Cleared	Pending
Letters from SEBI / SCORES Site	11	9	2 <sup>(*)</sup>
Letters from Stock Exchanges	9	9	-
<b>Total</b>	<b>20</b>	<b>18</b>	<b>2</b>

(\*) – since resolved

### iii. Nomination and Remuneration Committee

#### Composition & Meetings

The Nomination and Remuneration Committee (NRC) comprises of 4 members, all being Non-executive Directors. The Chairman of the Committee is a Non-executive and Independent Director.

During the FY 2020-21, the Committee met twice on 25<sup>th</sup> November, 2021 and 12<sup>th</sup> February, 2021. The details of composition and attendance at the aforementioned Meetings are as follows:-

Name	No. of meetings during FY 2020-21	
	Held	Attended
Mr. Yezdi H. Malegam, Chairman <sup>(1)(7)</sup>	1	1
Mr. Mehernosh B. Kapadia, Chairman <sup>(2)(7)</sup>	1	1
Mr. Deepak S. Parekh	2	2
Mr. Josef Kaeser <sup>(6)(7)</sup>	2	Nil
Mr. Cedrik Neike <sup>(3)(7)</sup>	1	1
Mr. Matthias Rebellius <sup>(4)(7)</sup>	1	1
Mr. Johannes Apitzsch <sup>(5)(7)</sup>	N.A.	N.A.

**Notes:**

- (1) Mr. Yezdi H. Malegam, upon his retirement as Director of the Company ceased to be Chairman of the Committee with effect from 30<sup>th</sup> January, 2021.
- (2) Mr. Mehernosh B. Kapadia was appointed as Chairman of the Committee with effect from 30<sup>th</sup> January, 2021.
- (3) Mr. Cedrik Neike ceased to be Member of the Committee with effect from 1<sup>st</sup> December, 2020.
- (4) Mr. Matthias Rebellius was appointed as a Member of the Committee with effect from 1<sup>st</sup> December, 2020.
- (5) Mr. Johannes Apitzsch was appointed as a Member of the Committee with effect from 13<sup>th</sup> February, 2021.
- (6) Mr. Josef Kaeser ceased to be Member of the Committee with effect from 1<sup>st</sup> March, 2021.
- (7) Details provided for the period for which Chairmanship / Membership (as applicable) of the Committee held during the FY 2020 – 21.

The Company Secretary is the Secretary to the Committee.

**Terms of Reference**

Brief Terms of Reference of the NRC are as under:-

- a. Identifying persons who are qualified to become the Directors / hold other senior management position and formulating criteria for determining qualities/positive attributes of Independent Directors.
- b. Recommending to the Board and periodically reviewing Remuneration Policy.
- c. Formulation of criteria for evaluation of Independent Directors and the Board and devising Board diversity policy.
- d. Determine the Company's policy on specific remuneration packages for Whole-time Directors / Executive Directors.
- e. Performance evaluation of Whole-time Directors and determining the amount of incentive including performance linked incentives payable.

The Chairman of the NRC was present at the 63<sup>rd</sup> Annual General Meeting of the Company held on 12<sup>th</sup> February, 2021.

**Remuneration Policy**

The Remuneration Policy of the Company is performance driven and is structured to motivate employees, recognize their merits & achievements and promote excellence in their performance. The Board of Directors of the Company has, on the recommendation of the NRC, approved the policy for remuneration of whole-time Directors, Senior Management / Key Managerial Personnel and employees of the Company.

**1. For Whole-time Directors**

The Board of Directors / the NRC of Directors is authorised to decide the remuneration of the Whole-time Directors, subject to the approval of the Members and Central Government, if required. The remuneration structure comprises of Salary, Perquisites, Retirement benefits as per the law / rules, Performance Linked Incentive (PLI), Commission and entitlement to participate in the Equity based compensation programs of Siemens AG, Germany / Siemens Ltd., as applicable from time to time. Annual increments are decided by the NRC within the salary package approved by the Members.

# Annexure IV to the Directors' Report

## Corporate Governance Report

[As per Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

In addition to the above remuneration, Expatriate Directors are paid Overseas Allowance / Special Allowance and certain other Perquisites as per the Rules of the Company. PLI, benefit under the Equity based compensation programs of Siemens AG / Siemens Ltd. and Commission constitute the variable component of remuneration. PLI is computed on the basis of specific targets set for each Whole-time Director every year. The targets are also linked to the Company's targets. PLI is paid to the Whole-time Directors on achievement of the said targets. Commission is determined on the basis of the Net Profits of the Company in a particular FY, subject to the overall ceiling as stipulated in Section 197 the Companies Act, 2013 ("Act").

Remuneration paid / payable to the Whole-time Directors as approved by NRC / Board for the FY 2020-21 is as under:–

(Amount in ₹ million.)

	Mr. Sunil Mathur	Dr. Daniel Spindler
Salary	22.53	11.95
Allowances <sup>(1)</sup>	25.56	12.38
Perquisites	33.07	8.62
Performance Linked Incentive	118.18	34.85
Contribution to Provident Fund and NPS*	2.70	--
Compensation under Stock Option Plan(s) of Siemens AG	21.40	2.94
Commission	---	--
<b>Total</b>	<b>223.44</b>	<b>70.74</b>
<b>Tenure</b>		
From (date of first appointment)	22.07.2008	01.09.2019
To	31.12.2023	31.07.2023
Shares of ₹ 2 each held as on 30.09.2021	Nil	Nil

\* National Pension System

### Notes:

- (1) Allowances includes Special Allowance in case of Mr. Mathur and Dr. Spindler.
- (2) The Whole-time Directors are covered under the Company's gratuity (for Mr. Sunil Mathur), leave, medical and silver/golden jubilee schemes as applicable, along with the other employees of the Company. These liabilities are determined for all employees by an independent actuarial valuation. The specific amount for such benefits can't be ascertained separately and accordingly the same has not been included above.

The Severance fees are payable to the Directors on termination of employment and notice period as per the rules of the Company.

## 2. For Non-executive Directors

The Non-executive Directors are paid remuneration by way of Sitting Fees and Commission.

### Sitting Fees

The Non-executive Directors are entitled to sitting fees of ₹ 50,000/- per meeting for attending all Board and Committee Meetings. The Board of Directors approve the commission payable to Non-executive Directors.

### Commission

The Members of the Company at the 57<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> January, 2015 approved payment of Commission not exceeding 1% per annum of the Net Profits of the Company (computed in the manner provided in Section 198 of the Act or as may be prescribed by the Act or Rules framed there under from time to time) to the Non-executive Directors of the Company.

The actual amount of Commission payable to each Non-executive Director is decided by the Board on the following criteria:

- Number of Board / Committee Meetings attended
- Role and responsibility as Chairman / Member of the Board / Committee
- Overall contribution

Remuneration paid / payable to the Independent Directors / Non-executive Director<sup>(1)(5)</sup> for the FY 2020-21 is as under:

(Amount in ₹ million.)

Name	Sitting Fees* for Board / Committee Meetings attended	Commission* <sup>(2)</sup>	Total	Number of Equity Shares of ₹ 2 each held on 30.09.2021
Mr. Deepak S. Parekh <sup>(3)</sup>	0.95	3.99	4.94	9,000
Mr. Yezdi H. Malegam <sup>(4)</sup>	0.20	1.04	1.24	N.A.
Mr. Mehernosh B. Kapadia <sup>(3)</sup>	0.85	2.03	2.88	-
Ms. Anjali Bansal <sup>(3)</sup>	0.55	2.03	2.58	-
Ms. Mariel von Schumann <sup>(4)</sup>	0.15	0.76	0.91	N.A.

\* Exclusive of Goods & Service Tax (as applicable).

**Notes:**

- (1) Mr. Johannes Apitzsch, Mr. Matthias Rebellius, Mr. Willem Rudolf Basson, Mr. Tim Holt, Mr. Josef Kaeser (ceased to be Non-Executive Director of the Company with effect from 1<sup>st</sup> March, 2021) and Mr. Cedrik Neike (ceased to be Special Director with effect from close of business hours on 30<sup>th</sup> November, 2021), Non – executive Directors, opted not to accept any Sitting Fees and Commission. They do not hold any Equity shares of the Company as on 30<sup>th</sup> September, 2021.
- (2) Subject to the approval of Annual Financial Statements for the FY 2020-21 by the Members at the 64<sup>th</sup> Annual General Meeting.
- (3) Includes payment of sitting fees for attending the meetings of the Committee of Directors constituted by the Board of Directors during the FY 2020-21.
- (4) Details provided for the period for which Mr. Yezdi H. Malegam and Ms. Mariel von Schumann held Directorship of the Company during the FY 2020 – 21. The commission has been determined on a pro-rata basis for FY 2020 - 21 till the time Mr. Yezdi H. Malegam and Ms. Mariel von Schumann were members of the Board of Directors of the Company.
- (5) None of the Non-executive Directors have any other pecuniary interest in the Company, as disclosed to the Company.

**iv. Risk Management Committee**

**Composition & Meetings**

The Risk Management Committee (RMC) comprises of 6 members, all being Non – executive Directors. The Chairperson of the Committee is a Non-executive and Independent Director.

During the FY 2020-21, the Committee met once on 10<sup>th</sup> August, 2021, which was attended by all members of the Committee. The details of composition of the Committee are as follows; Ms. Anjali Bansal, Chairperson, Mr. Deepak Parekh, Mr. Johannes Apitzsch, Mr. Mehernosh B. Kapadia, Mr. Matthias Rebellius and Mr. Tim Holt.

During the FY 2020-21, Ms. Anjali Bansal was appointed as Chairperson of the Committee with effect from 30<sup>th</sup> January, 2021 and Mr. Yezdi H. Malegam, upon his retirement as Director of the Company ceased to be Chairman of the Committee with effect from 30<sup>th</sup> January, 2021. Mr. Matthias Rebellius and Mr. Tim Holt were appointed as Member of the Committee with effect from 1<sup>st</sup> December, 2020.



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## Corporate Governance Report

[As per Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

The Risk Management Committee is responsible for formulation, monitoring and overseeing implementation of a risk management policy which *inter-alia* shall include risk identification, evaluation, mitigation, control process for such risks and business continuity plan. Further, the Committee also evaluates the adequacy of risk management systems and is responsible for monitoring and reviewing risk management policy of the Company by reviewing the changing industry dynamics and evolving complexity.

The Company Secretary is the Secretary to the Committee.

### B. Non-Mandatory Committees

#### i. Corporate Social Responsibility Committee<sup>(\*)</sup>

##### Composition & Meetings

The Corporate Social Responsibility Committee (CSRC) comprises of 4 members and the Chairman of the Committee is a Non-executive and Independent Director.

During the FY 2020-21, the Committee met thrice on 25<sup>th</sup> November, 2020, 11<sup>th</sup> May, 2021 and 10<sup>th</sup> August, 2021. The details of composition and attendance at the aforementioned Meetings are as follows:-

Name	No. of meetings during FY 2020 - 21	
	Held	Attended
Mr. Deepak S. Parekh, Chairman	3	3
Mr. Sunil Mathur	3	3
Ms. Mariel von Schumann <sup>(1)</sup>	1	1
Dr. Daniel Spindler	3	3
Mr. Johannes Apitzsch <sup>(2)</sup>	2	2

##### Notes:

- (1) Ms. Mariel von Schumann ceased to be Member of the Committee with effect from 12<sup>th</sup> February, 2021. Details provided for the period for which she held membership of the Committee during the FY 2020 – 21.
- (2) Mr. Johannes Apitzsch was appointed as a Member of the Committee with effect from 13<sup>th</sup> February, 2021. Details provided for the period for which he held membership of the Committee during the FY 2020 – 21.

The Committee is primarily responsible for formulating and recommending to the Board a Corporate Social Responsibility (CSR) policy and monitoring the same. The Committee also reviews and monitors the CSR projects and expenditure undertaken by the Company.

The Company Secretary is the Secretary to the Committee.

(\*) – Constitution of CSRC Committee is mandatory as per the Act.

#### ii. Corporate Governance Committee

The Corporate Governance Committee (CGC) comprises of 6 members. The Chairman of the Committee is a Non-executive and Independent Director.

During the FY 2020-21, the Committee met once on 11<sup>th</sup> May, 2021, which was attended by all members. The details of composition of the Committee are as follows; Mr. Mehernosh B. Kapadia, Chairman, Mr. Deepak S. Parekh, Mr. Johannes Apitzsch, Mr. Sunil Mathur, Mr. Matthias Rebellius and Mr. Tim Holt.

During the FY 2020 – 2021, Mr. Cedrik Neike, Mr. Yezdi H. Malegam and Mr. Josef Kaeser ceased to be Member of the Committee with effect from 1<sup>st</sup> December, 2020, 30<sup>th</sup> January, 2021 and 1<sup>st</sup> March, 2021 respectively. Mr. Matthias Rebellius and Mr. Tim Holt were appointed as a Member of the Committee with effect from 1<sup>st</sup> December, 2020.

The Committee has been constituted, *inter-alia*, to consider, review and decide the matters relating to Corporate Governance as per the LODR and applicable Laws & Regulations and recommending best practices in the areas of Board Governance, Corporate Governance and disclosure policies.

The Company Secretary is the Secretary to the Committee.

### iii. Share Transfer Committee (STC)

The details of the composition of STC are as follows:- Mr. Sunil Mathur, Chairman and Dr. Daniel Spindler.

The STC approves cases of transfer (as applicable) and transmission, issue of shares in exchange for sub-divided, consolidated, defaced shares etc., as approved by the authorised persons and issue of duplicate share certificates. It also notes and takes on record the transfer / transmission / transposition of shares and consolidation / splitting of folios, issue of share certificate. The STC also notes the dealings in Company's Shares by the designated employees under the Company's Code of Conduct for Prohibition of Insider Trading. During the FY 2020-21, the Committee conducted its business by way of passing circular resolutions.

The Company Secretary is the Secretary to the Committee.

### C. Committees of Management (Constituted by the Board of Directors)

#### i. Finance Committee (FC)

The details of the composition of FC are as follows:- Dr. Daniel Spindler, Chairman, Mr. Sunil Mathur and Mr. Ketan Thaker, Member & Secretary.

The FC authorises opening / operating / closing of bank accounts, availing of credit facilities, giving of loans, intercorporate deposits, guarantees, commodity hedging etc. The FC Meetings are held as and when required. During the FY 2020-21, the Committee met once and conducted its business by way of passing circular resolutions.

#### ii. Delegation of Powers Committee (DPC)

The details of the composition of DPC are as follows:- Mr. Sunil Mathur, Chairman, Dr. Daniel Spindler and Mr. Ketan Thaker, Member & Secretary.

The DPC issues/revokes Power of Attorneys, grants authorization for various purposes of the Company etc. The DPC Meetings are held as and when required. During the FY 2020-21, the conducted its business by way of passing circular resolutions.

### IV. Separate Independent Directors' Meetings

Pursuant to requirements of the Act and LODR the Company's Independent Directors met once during the Financial Year without the presence of Non-Executive Directors, Executive Directors or Management to discuss the matters as laid out therein for such meetings. Further, interactions outside the Board meeting take place between the Chairman and Independent Directors on a regular basis.

### V. Subsidiary companies

The Company has two subsidiaries i.e. Siemens Rail Automation Private Limited (SRAPL), wholly owned subsidiary and C&S Electric Limited (C&S), subsidiary with effect from 1<sup>st</sup> March, 2021. SRAPL and C&S both are non-material, non-listed subsidiary of the Company pursuant to LODR. The Company has in place the Policy on Material Subsidiary and the same is available on the website of the Company at <https://new.siemens.com/in/en/company/investor-relations/corporate-governance.html>

### VI. Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certification

As required by LODR, the CEO and CFO certification on the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting for FY 2020 – 21 is enclosed to this Report.

### VII. Business Conduct Guidelines (BCGs)

The Company has adopted BCGs (including an addendum for Independent Directors incorporating the duties of the Independent Directors of the Company) as the Code of Conduct for Directors and Senior Management of the Company, as per the requirement of LODR. The Company has received confirmations from all Directors and Senior Management of the Company regarding compliance with the BCGs for the year ended 30<sup>th</sup> September 2021 as applicable to them. A certificate from Mr. Sunil Mathur, Managing Director and Chief Executive Officer to this effect, is enclosed to this Report. The BCGs can be viewed on the website of the Company - <https://new.siemens.com/in/en/company/investor-relations/business-ethics.html>.

# Annexure IV to the Directors' Report

## Corporate Governance Report

[As per Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

### VIII. Policy for Prevention, Detection and Investigation of Frauds and Protection of Whistleblowers (the Whistleblower Policy)

The Company is committed to provide an open, honest and transparent working environment and seeks to eliminate fraudulent activities in its operations. To maintain high level of legal, ethical and moral standards and to provide a gateway for employees, directors as well as third parties to report unethical behaviour and actual or suspected frauds, the Company has adopted the Whistleblower Policy in line with LODR and also as per Act. No personnel have been denied access to the Chairman of the Audit Committee and Chairman of the Board of Directors in exceptional circumstances.

The Whistleblower Policy broadly covers a detailed process for reporting, handling and investigation of fraudulent activities and providing necessary protection to the employees, Directors as well as third parties who report such fraudulent activities / unethical behaviour.

### IX. Familiarisation programme for Independent Directors –

The Company familiarises its Independent Directors pursuant to the requirements of LODR with their roles, rights, responsibility in the Company, nature of the industry in which the Company operates and business model of the Company etc. The details of the familiarisation programme imparted to the Independent Directors of the Company during FY 2020 – 21 are available on the website of the Company at - <https://new.siemens.com/in/en/company/investor-relations/corporate-governance.html>

### X. Annual evaluation of Board, Committees and individual Directors –

Considering the Performance Evaluation Guidelines which were formulated by the Nomination and Remuneration Committee (NRC), the Board and NRC approved the framework for evaluating the performance, on an annual basis, of the Board, its Committees and each director including the Chairman of the Board of Directors.

Pursuant to the provisions of the Act, LODR and the Performance Evaluation Guidelines of the Company, the Board of Directors / Independent Directors has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors including Independent Directors and the Chairman of the Board of Directors based on various parameters relating to attendance, roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees. The results of such evaluation are presented to the Board of Directors.

### XI. Policy on dealing with Related Party Transactions –

In line with the requirements of the LODR, the Company has formulated a Policy on Related Party Transactions ("Policy") which is also available on Company's website at <https://new.siemens.com/in/en/company/investor-relations/corporate-governance.html>. The Policy is reviewed by the Board of Directors of the Company at regular intervals. The objective of the Policy is to ensure proper approval, disclosure and reporting of transactions as applicable, between the Company and any of its related parties. The Audit Committee of the Company has granted omnibus approval for the Related Party Transactions (RPTs) which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length. The Audit Committee also reviews all RPTs on quarterly basis in line with the omnibus approval granted by them.

### XII. Code of Conduct for Prohibition of Insider Trading

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has, *inter-alia*, adopted a Code of Conduct for Prohibition of Insider Trading (Code) duly approved by the Board of Directors of the Company. The Company Secretary, is the Compliance Officer for the purpose of this Code.

### XIII. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of complaints received and disposed off during the FY 2020 – 21 are mentioned in the Directors Report.

#### XIV. a. General Body Meetings

Financial Year	Meeting and Venue	Day, Date and Time	Special Resolutions passed
2019 - 20	<b>63<sup>rd</sup> Annual General Meeting (AGM)</b> held via Video Conferencing	Friday, 12 <sup>th</sup> February, 2021; 4.30 p.m.	No special resolution was passed
2018 - 19	<b>62<sup>nd</sup> Annual General Meeting (AGM)</b> Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021	Tuesday, 11 <sup>th</sup> February, 2020; 3.00 p.m.	(i) Re- appointment of Mr. Deepak S. Parekh as an Independent Director for second term from 30 <sup>th</sup> January, 2020 to 29 <sup>th</sup> January, 2023.  (ii) Re-appointment of Mr. Yezdi H. Malegam as an Independent Director for second term from 30 <sup>th</sup> January, 2020 to 29 <sup>th</sup> January, 2021.
2017 - 18	<b>61<sup>st</sup> AGM</b> Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021	Wednesday, 6 <sup>th</sup> February, 2019; 3.00 p.m.	(i) Continuation of directorship of Mr. Deepak S. Parekh, Mr. Yezdi H. Malegam and Mr. Darius C. Shroff as Independent Directors on the Board of Directors of Siemens Limited.  (ii) Alteration of Object clause of the Memorandum of Association of the Company.  (iii) Adoption of new Articles of Association of the Company.

- b. During the FY 2020 – 21 there were no Special resolution(s) passed through Postal Ballot. Resolution(s), if required, shall be passed by Postal Ballot during the FY 2021 – 22, as per the prescribed procedure.

#### XV. Disclosures

- Transactions with related parties as per requirements of IND AS 24, are disclosed in notes annexed to audited financial statements.
- The Company has not entered into any transaction of a material nature with the Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have a potential conflict with the interests of the Company at large.
- With regard to matters related to capital markets, no penalties were imposed or strictures passed against the Company by the Stock Exchanges, SEBI or any other statutory authority during the last three years in this regard.
- The Company has put in place the Whistle Blower Policy as per LODR and affirms that no person has been denied access to the Chairman of the Audit Committee and also the Chairman of the Board of Directors in exceptional circumstances.
- The Company has complied and disclosed all the mandatory corporate governance requirements under regulation 17 to 27 and sub-regulation (2) of Regulation 46 under LODR, and details of compliance with the discretionary requirements are given under point XVIII mentioned below.
- Disclosures have also been received from the senior management relating to the financial and commercial transactions in which they or their relatives may have a personal interest. However, there were no such transactions during the FY 2020 – 21 having potential conflict with the interests of the Company at large.

# Annexure IV to the Directors' Report

## Corporate Governance Report

[As per Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

- g. The Company manages commodity and foreign exchange risk as per its adopted policies. The Company uses forward contracts and options to manage foreign exchange risk and futures to manage commodity risk. The Company does not undertake any derivative transaction for pure trading in foreign exchange markets or for speculative purposes. The Company uses Commodity Future Contract to hedge against fluctuation in commodity prices. As per the policy of the Company, the net commodity exposure for the current and subsequent quarter must be hedged in the range of 75% - 100% for Product business and 95%-100% for Project Business.

The exposure of the Company in a particular commodity and percentage of such exposure hedged through Commodity derivatives as at 30<sup>th</sup> September, 2021 is as under:

Commodity Name	Exposure towards the particular commodity for first quarter of FY 2021 - 22 (amount in ₹. Million)*	Exposure in Quantity terms towards the particular commodity for the first quarter of FY 2021 - 22 (Qty in tonnes)*	% of such exposure hedged through commodity derivatives*				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
Copper	2,779	3,983	-	91	-	-	91
Aluminium	309	1,355	-	86	-	-	86
Silver	236	4	-	77	-	-	77
<b>Total</b>	<b>3,324</b>	<b>5,342</b>					

\*The Company also has outstanding future contracts for exposure beyond the first quarter of FY 2021 - 22, the hedging ratios for which are different from those mentioned above. The Company shall hedge the exposure beyond the first quarter of FY 2021 - 22 in accordance with the policy of the Company. Quantity is rounded off to nearest whole number.

- h. Certificate from Practising Company Secretary on eligibility of the Board of Directors to serve as Directors is enclosed to this report.
- i. The Board has accepted the recommendations of its Committees, as applicable.
- j. The total fees (excluding taxes and out of pocket expenses) for all services paid by the Company and its subsidiaries in India, on a consolidated basis, to M/s B S R & Co. LLP, statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part amounts to INR 42 million.

### XVI. Means of Communication

All important information relating to the Company, its financial performance, shareholding pattern, business information, quarterly results, press releases, policies, investor related information other information as per LODR, presentation to the press/analyst meet are regularly posted on Company's website. The quarterly, half-yearly and annual financial results of the Company are published in newspapers such as Business Standard and Navshakti. These results are also available on the websites of the Company, BSE Limited and National Stock Exchange of India Ltd. The Company also holds press conference/analysts meet from time to time.

### XVII. General Shareholder Information

'General Shareholder Information' is forming part as **Annexure V** of the Directors' Report.

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#### **XVIII. Compliance with Discretionary requirements:**

- a. **The Board:** The Company does not maintain a separate office for the Non-executive Chairman. The independent directors have requisite qualification and experience to act as a Director on the Board.
- b. **Shareholders' Rights:** The quarterly financial results are published in the newspapers of wide circulation and not sent to individual shareholders on a half-yearly basis. Financial Results are also available on the website of the Company, BSE Limited and National Stock Exchange of India Ltd.
- c. **Audit qualification:** The Auditor's have expressed an unmodified opinion on the Financial Statements.
- d. **Reporting of Internal Auditor –** The Company has outsourced the Internal Audit function to Controlling and Finance-Audit (CFA), the Global audit department of Siemens AG a part of which is housed in Siemens Technology and Services Private Limited, India. The Internal audit plan is approved by the Audit Committee and the Internal Auditors directly present their report to the Audit Committee for its consideration.

On behalf of the Board of Directors  
For **Siemens Limited**

**Deepak S. Parekh**  
**Chairman**  
DIN - 00009078

Mumbai  
Wednesday, 24<sup>th</sup> November 2021

# Annexure IV to the Directors' Report

## Corporate Governance Report

[As per Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

### Declaration by the Managing Director under Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding compliance with Business Conduct Guidelines (Code of Conduct)

In accordance with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Business Conduct Guidelines (Code of Conduct), as applicable to them, for the Financial Year ended 30<sup>th</sup> September, 2021.

For **Siemens Limited**

#### **Sunil Mathur**

Managing Director and Chief Executive Officer  
DIN - 002261944

Mumbai

Wednesday, 24<sup>th</sup> November, 2021

### Certification by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Siemens Limited

Dear Sirs,

- a) We have reviewed the financial statements and the cash flow of Siemens Limited ('the Company') for the year ended 30<sup>th</sup> September 2021 and to the best of our knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into between the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - i) Significant changes in the internal control over financial reporting during the year;
  - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statements and;
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours truly

#### **Dr. Daniel Spindler**

Executive Director and Chief Financial Officer  
DIN -08533833

#### **Mr. Sunil Mathur**

Managing Director and Chief Executive Officer  
DIN - 002261944

Mumbai

Wednesday, 24<sup>th</sup> November, 2021

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)]

To,

The Members of  
**Siemens Limited,**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Siemens Limited having CIN L28920MH1957PLC010839** and having registered office at **Birla Aurora, Level 21, Plot No. 1080, Dr. Annie Besant Road, Worli, Mumbai – 400 030** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on September 30, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Deepak Shantilal Parekh	00009078	07/11/2003
2.	Mr. Mehernosh Behram Kapadia	00046612	02/05/2018
3.	Ms. Anjali Bansal	00207746	01/04/2019
4.	Mr. Sunil Dass Mathur	02261944	22/07/2008
5.	Mr. Johannes Apitzsch	05259354	23/11/2013
6.	Dr. Daniel Gerold Spindler	08533833	01/09/2019
7.	Mr. Tim Oliver Holt	08742663	01/06/2020
8.	Mr. Matthias Ernst Rebellius	08975071	01/12/2020
9.	Mr. Willem Rudolf Basson	09081871	01/03/2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### For Parikh Parekh & Associates

Practising Company Secretaries  
PR No.: 723/2020

### Jigyasa N. Ved

Partner  
FCS No.: 6488 C. P. No.: 6018  
UDIN: F006488C001527557

Mumbai

Date: 24<sup>th</sup> November, 2021



# Annexure IV to the Directors' Report

## Corporate Governance Report

[As per Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

### Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of  
**Siemens Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 4 March 2019 and addendum to the engagement letter dated 11 November 2021.
2. We have examined the compliance of conditions of Corporate Governance by Siemens Limited ("the Company"), for the year ended 30 September 2021, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

#### Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

#### Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 30 September 2021.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

#### Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

**Farhad Bamji**  
Partner  
Membership No: 105234  
UDIN: 21105234AAAACG3646

Mumbai  
24 November, 2021

## Annexure V to the Directors' Report

# General Shareholder Information

[As required by Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR)]

### I. 64<sup>th</sup> Annual General Meeting

Members are requested to refer the notice of the Annual General Meeting forming part of this Annual Report for details on the day, date, time, venue of the Annual General Meeting as also the details regarding the dates of closure of Register of Members and share transfer books and Dividend payment date.

### II. Financial Year / Calendar

The Company follows the period of 1<sup>st</sup> October to 30<sup>th</sup> September, as the Financial Year.

For the Financial Year 2021 – 22, Financial Results will be announced as per the following tentative schedule:

1 <sup>st</sup> quarter ending 31 <sup>st</sup> December, 2021	First week of February, 2022
2 <sup>nd</sup> quarter ending 31 <sup>st</sup> March, 2022	Second week of May, 2022
3 <sup>rd</sup> quarter ending 30 <sup>th</sup> June, 2022	First week of August, 2022
Year ending 30 <sup>th</sup> September, 2022	Fourth week of November, 2022

### III. Listing on Stock Exchanges

The Equity Shares of the Company are listed on the following Stock Exchanges of India having nation-wide trading terminals:

BSE Ltd. (BSE)	National Stock Exchange of India Ltd. (NSE)
Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001	Exchange Plaza, Plot No. C/1 G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051

The Company has paid the listing fees for the Financial Year 2021 – 22 to the aforesaid Stock Exchanges.

The Company forms part of major indices of NSE and BSE. The Company's shares are also available for trading in the Futures & Options segment.

### IV. Stock Code / Symbol

BSE	500550
NSE	SIEMENS EQ
Reuters	SIEM.BO / SIEM.NS
Bloomberg	SIEM:IN
International Securities Identification Number (ISIN)	INE003A01024
Corporate Identity Number (CIN) - allotted by the Ministry of Corporate Affairs	L28920MH1957PLC010839

## Annexure V to the Directors' Report

# General Shareholder Information

[As required by Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR)]

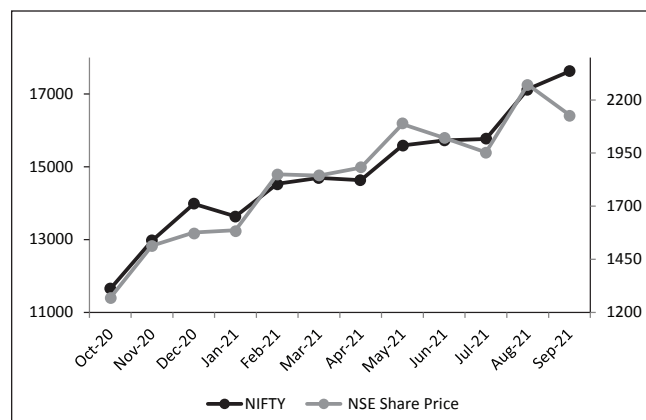
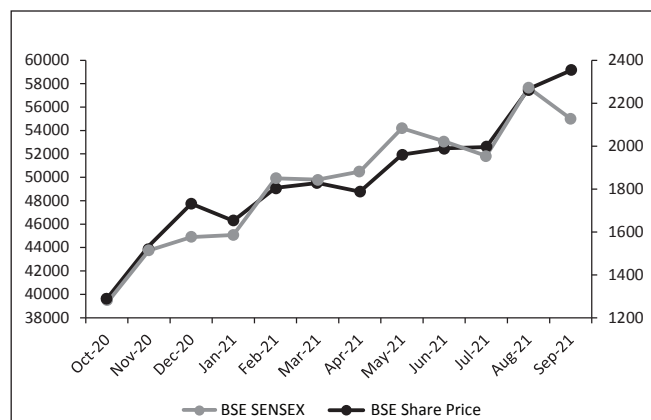
### V. Market Price Data

- (1) The market price and volume of the Company's Equity Shares traded on BSE and NSE during each month of the last Financial Year from 1<sup>st</sup> October 2020 to 30<sup>th</sup> September 2021 are as follows:

Face Value of ₹ 2 each

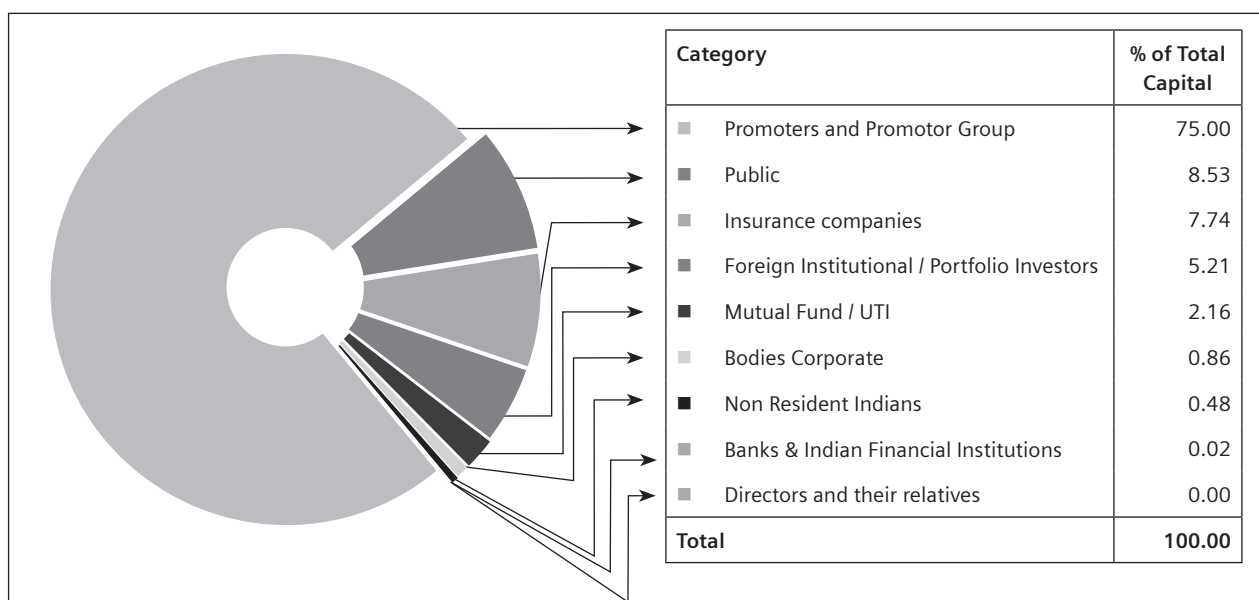
	NSE			BSE		
	High	Low	Volume	High	Low	Volume
	₹	₹	Nos.	₹	₹	Nos.
October 2020	1,313.95	1,215.90	10,888,559	1,312.40	1,216.75	553,364
November 2020	1,534.80	1,261.70	20,648,863	1,534.05	1,262.20	1,000,548
December 2020	1,588.95	1,441.15	11,033,423	1,588.95	1,442.05	470,797
January 2021	1,732.85	1,571.40	8,070,391	1,732.20	1,571.75	439,687
February 2021	1,949.00	1,565.00	10,843,852	2,055.10	1,568.45	602,096
March 2021	1,967.75	1,758.05	7,086,237	1,966.75	1,759.10	437,743
April 2021	1,918.00	1,717.80	6,627,750	1,917.55	1,718.00	376,547
May 2021	2,143.50	1,829.55	12,389,723	2,143.20	1,828.65	704,902
June 2021	2,178.00	1,960.70	8,866,122	2,176.75	1,961.20	491,119
July 2021	2,059.80	1,920.00	6,670,755	2,059.60	1,919.50	735,379
August 2021	2,297.80	1,947.40	13,712,479	2,297.00	1,948.05	752,157
September 2021	2,318.00	2,072.00	4,531,287	2,317.60	2,071.70	342,188

- (2) The Company's closing share price movement during the Financial Year 2020-21 on BSE and NSE vis-à-vis respective indices:



VI. Distribution of Shareholding as on 30<sup>th</sup> September 2021

NUMBER OF EQUITY SHARES HELD (Face Value ₹ 2 each)	Member		Shares	
	Number	% of total	Number	% of total
1-500	115,492	91.42	5,928,060	1.66
501-1000	4,311	3.41	3,300,205	0.93
1001-2000	2,908	2.30	4,324,153	1.21
2001-3000	1,314	1.04	3,322,110	0.93
3001-4000	770	0.61	2,724,282	0.77
4001-5000	352	0.28	1,622,927	0.46
5001-10000	626	0.50	4,391,742	1.23
10001 & above	556	0.44	330,506,776	92.81
<b>Total</b>	<b>126,329</b>	<b>100.00</b>	<b>356,120,255</b>	<b>100.00</b>



VII. Members' Profile as on 30<sup>th</sup> September 2021 –

No. of members as on 30 <sup>th</sup> September	2021	2020
		<b>126,329</b>

## Annexure V to the Directors' Report

# General Shareholder Information

[As required by Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR)]

### VIII. Top Ten Members of the Company as on 30<sup>th</sup> September 2021

Sr. No.	Name of the Member <sup>(1)</sup>	Category	Number of Shares of ₹ 2 each	% of total Capital
1	Siemens International Holding B.V. <sup>(2)</sup>	Foreign Promoter	169,882,943	47.70
2	Siemens Gas and Power Holding B.V.	Foreign Promoter	85,468,862	24.00
3	Life Insurance Corporation of India	Insurance Company	23,391,756	6.57
4	Siemens Metals Technologies Vermögensverwaltungs GmbH <sup>(2)</sup>	Foreign Promoter	11,738,108	3.30
5	Government Pension Fund Global	Foreign Portfolio Investors (Corporate)	2,350,159	0.66
6	Bharat Bijlee Limited	Body Corporate	2,138,160	0.60
7	DSP Mutual Fund	Mutual Fund	1,720,855	0.48
8	Nippon Mutual Fund	Mutual Fund	1,418,295	0.40
9	Vanguard International Equity Index Fund	Foreign Portfolio Investors (Corporate)	1,232,551	0.35
10	Bajaj Allianz Life Insurance Company Limited	Insurance Company	1,146,631	0.32
	<b>Total</b>		<b>300,488,320</b>	<b>84.38</b>

#### Notes:

- (1) Clubbing of records are Permanent Account Number (PAN) wise.  
 (2) Indirect wholly owned subsidiaries of Siemens Aktiengesellschaft, Germany.

### IX. Dematerialisation of Shares & Liquidity

The details of Equity Shares dematerialised and those held in physical form as on 30<sup>th</sup> September 2021 are given hereunder:

Particulars of Equity Shares	Equity Shares of ₹ 2 each		Members	
	Number	% of total	Number	% of total
Dematerialized form				
NSDL	348,763,228	97.93	76,382	60.46
CDSL	5,415,264	1.52	46,447	36.77
<b>Sub-total</b>	<b>354,178,492</b>	<b>99.45</b>	<b>122,829</b>	<b>97.23</b>
Physical Form	1,941,763	0.55	3,500	2.77
<b>Total</b>	<b>356,120,255</b>	<b>100.00</b>	<b>126,329</b>	<b>100.00</b>

- X. **Share transfer system** – The Securities and Exchange Board of India (SEBI) has mandated transfer of securities only in dematerialised form with effect from 1<sup>st</sup> April, 2019. Thereafter, SEBI had fixed 31<sup>st</sup> March, 2021 as the cut-off date for re-lodgement of deficient transfer deeds. Accordingly, with effect 1<sup>st</sup> April, 2021 share transfers in physical form are prohibited under any circumstances and the same shall be processed only in dematerialised form.

The said restriction does not apply to transmission or transposition of securities. SEBI has clarified that the members are not prohibited from holding the shares in physical form, however, they are requested to consider dematerialisation of their shares.

### XI. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity

The Company has not issued any such securities.

## XII. Commodity Price Risk / Foreign Exchange Currency Risk and Commodity Hedging activities

The disclosure on Commodity Price Risk / Foreign Exchange Currency Risk and Commodity Hedging activities undertaken by the Company is reported under 'Corporate Governance Report' forming part of the Directors Report as Annexure IV.

## XIII. Registrar and Share Transfer Agent (RTA)

Share related matters, dividend payment and all other investor related matters are attended to and processed by our Registrar and Share Transfer Agent viz. TSR Darashaw Consultants Private Limited (TSRDCPL).

For the convenience of Members based in the following cities, transfer documents and letters will be accepted at the following offices of TSRDCPL:

Location	Address
Mumbai	a. TSR Darashaw Consultants Private Limited 10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E Moses Road, Mahalaxmi, Mumbai – 400 011  b. TSR Darashaw Consultants Private Limited C-101, 1 <sup>st</sup> Floor, 247, Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083 Time: 10 a.m. to 3.30 p.m. (Monday to Friday) Phone: +91 (22) 6656 8484 Fax: +91 (22) 6656 8494 Email: <a href="mailto:csg-unit@tcplindia.co.in">csg-unit@tcplindia.co.in</a> Website: <a href="http://www.tcplindia.co.in">www.tcplindia.co.in</a>
Kolkata	TSR Darashaw Consultants Private Limited C/o Link Intime India Private Limited Vaishno Chamber, Flat No. 502 & 503, 5 <sup>th</sup> Floor, 6, Brabourne Road Kolkata - 700 001 Time: 10 a.m. to 3.30 p.m. (Monday to Friday) Phone: +91 (33) 4008 1986 Email: <a href="mailto:tsrdlcal@tcplindia.co.in">tsrdlcal@tcplindia.co.in</a>
Ahmedabad	TSR Darashaw Consultants Private Limited C/o Link Intime India Private Limited Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off. C.G. Road, Ellisbridge, Ahmedabad - 380 006 Time: 10 a.m. to 3.30 p.m. (Monday to Friday) Phone: +91 (79) 2646 5179 Email: <a href="mailto:csg-unit@tcplindia.co.in">csg-unit@tcplindia.co.in</a>
Bengaluru	TSR Darashaw Consultants Private Limited C/o. Mr. D. Nagendra Rao, "Vaghdevi" 543/A, 7 <sup>th</sup> Main, 3 <sup>rd</sup> Cross, Hanumanthnagar, Bengaluru - 560 019 Time: 10 a.m. to 3.30 p.m. (Monday to Friday) Phone: +91 (80) 2650 9004 Email: <a href="mailto:tsrdlbnag@tcplindia.co.in">tsrdlbnag@tcplindia.co.in</a>
New Delhi	TSR Darashaw Consultants Private Limited C/o Link Intime India Private Limited Noble Heights, 1 <sup>st</sup> Floor, Plot No NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri, New Delhi – 110 058 Time: 10 a.m. to 3.30 p.m. (Monday to Friday) Phone: +91 (11) 4941 1030 Email: <a href="mailto:tsrdldel@tcplindia.co.in">tsrdldel@tcplindia.co.in</a>
Jamshedpur	TSR Darashaw Consultants Private Limited Bungalow No. 1, "E" Road, Northern Town, Bistupur, Jamshedpur – 831 001 Time: 10 a.m. to 3.30 p.m. (Monday to Friday) Phone: +91 (657) 242 6937 Email: <a href="mailto:tsrdljsr@tcplindia.co.in">tsrdljsr@tcplindia.co.in</a>

## Annexure V to the Directors' Report

# General Shareholder Information

[As required by Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR)]

### XIV. Plant Locations

Location	Address	
Maharashtra	1.	E-76, Waluj, MIDC Area, Aurangabad – 431 136
	2.	Plot No – A 1/2, Five Star MIDC Industrial Area, Shendra, Aurangabad – 431 201
	3.	Plot No. C-1, Additional Industrial Area, MIDC, Ambad, Nashik - 422 010
	4.	Thane - Belapur Road, Airoli Node, Navi Mumbai - 400 708
Goa	1.	L-6, Verna Industrial Estate, Verna - Salcete, Goa – 403 722
	2.	N73 & N74, Verna Industrial Estate, Verna - Salcete, Goa – 403 722
Gujarat		R.S. No: 144, Opp. Makarpura Rly. Station, Maneja, Vadodara – 390 013
Karnataka		97/2, Devanahalli Road, Off Old Madras Road, Virgo Nagar, Bengaluru - 560 049
Puducherry	1.	Unit -I, R.S No 16/8, Kurumbapet Village, Villianur Commune, Puducherry – 605 009
	2.	Unit -II, R.S No 23/2A, Uruvaiyaru Road, Abishegapakkam, Puducherry - 605 007
Haryana		Plot No. 37, Ground Floor, Sector-18, Huda, Gurgaon – 122 015

### XV. Address for correspondence

Sr. No.	Particulars	Details
1.	Registered and Corporate Office:	Siemens Limited Birla Aurora, Level 21, Plot No. 1080, Dr. Annie Besant Road, Worli, Mumbai – 400 030, India Phone: +91 (22) 6251 7000 Fax: +91 (22) 2436 2403
2.	Website:	<a href="http://www.siemens.co.in">www.siemens.co.in</a>
3.	Investor Relations Team:	Contact Person: Mr. Vinayak Deshpande Email: <a href="mailto:Corporate-Secretariat.in@siemens.com">Corporate-Secretariat.in@siemens.com</a> Phone: +91 (22) 6251 7000 Fax: +91 (22) 2436 2403 The Investor relations team of the legal department is located at the Registered Office.
4.	Designated email address for investor services: (for eg. Investor complaints / queries / correspondence)	<a href="mailto:Corporate-Secretariat.in@siemens.com">Corporate-Secretariat.in@siemens.com</a>

### XVI. Credit ratings

The Company does not have any debt instruments, fixed deposit program or any scheme for mobilization of funds and accordingly it has not obtained any credit ratings during the financial year for these purposes.

### XVII. Other Corporate Information

#### Bankers

Citibank N. A.  
Deutsche Bank AG  
The Hongkong and Shanghai Banking Corporation Ltd.  
Standard Chartered Bank  
HDFC Bank Ltd.  
ICICI Bank Ltd.  
State Bank of India

#### Auditors

B S R & CO. LLP

#### Secretarial Auditors

Parikh Parekh & Associates

#### Cost Auditors

R. Nanabhoy & Co.

## XVIII. Unclaimed Shares

Pursuant to Schedule V to LODR the details of equity shares held in 'Unclaimed Suspense Account' of the Company are as follows-

Sr. No.	Particulars	Details
1.	Aggregate number of Members lying in the unclaimed suspense account at the beginning of the Financial Year 2020 – 21	189
2.	Aggregate number of the outstanding equity shares lying in the unclaimed Suspense account at the beginning of the Financial Year 2020 – 21	33,920
3.	Number of Members who approached issuer for transfer of shares from unclaimed suspense account during the Financial Year 2020 – 21	5
4.	Number of Members to whom shares were transferred from unclaimed suspense account during the Financial Year 2020 – 21 (* Excluding transfer of shares to Investor Education and Protection Fund Authority pursuant to The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereto (IEPF Rules) under Companies Act, 2013	4(*)
5.	Number of shares transferred from unclaimed suspense account during the Financial Year 2020 – 21 (* Including transfer of shares to Investor Education & Protection Fund Authority pursuant to the IEPF Rules under Companies Act, 2013. .	7,210(*)
6.	Aggregate number of Members in the unclaimed suspense Account lying at the end of Financial Year 2020 – 21	139
7.	Aggregate number of outstanding equity shares in the unclaimed suspense Account lying at the end of Financial Year 2020 – 21	25,170

All corporate benefits on such shares viz. Bonus shares, split of shares etc. shall be credited to the unclaimed suspense account, as applicable for a period of seven years and thereafter be transferred in accordance with the provisions of Section 124(5) and Section 124(6) of the Companies Act, 2013 read with IEPF Rules.

The voting rights on such shares shall remain frozen until the rightful owner claims the Equity shares.

## XIX. Note to the Investors / Members

### a. Transfer of shares in Demat mode only:

Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate risks associated with physical shares and for ease in portfolio management.

For further information/clarification/assistance in this regard, please refer <http://www.siemens.co.in/en/index/investor.htm> or else contact TSRDCPL.

### b. Updation of KYC details: As per SEBI Regulations, it is now mandatory for Members holding shares in physical mode to update Permanent Account Number (PAN), Contact details, Bank account details and specimen signature with TSRDCPL / Company, if not done so far. The PAN and Aadhar also have to compulsorily linked by 31<sup>st</sup> March, 2022 or any other date specified by Central Board of Direct Taxes.

Members are requested to submit PAN, Contact details, Bank account details and specimen signature (as applicable) to their Depository Participant (DP) in case of holding in dematerialised form or to TSRDCPL [through Form ISR-1, Form ISR-2 (as applicable) available at <https://new.siemens.com/in/en/company/investor-relations/investor-services.html> in case of holdings in physical form.

### c. Electronic fund transfer details for remittance - It is in Members interest to claim any un-encashed dividends and for future, opt for payment through Electronic remittance in case of shares in physical form and ensure that correct and updated particulars of bank account are available with DP in case of shares held in dematerialized form, so that dividends paid by the Company shall be credited to the investor's bank account on time.



## Annexure V to the Directors' Report

# General Shareholder Information

[As required by Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR)]

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- d. **Nomination:** It has been observed by the Company that many of its Members have not opted for nomination to the shares held by them and in case of demise of a Member without nomination; the lengthy and costly process of Transmission of shares has to be followed. Even as per SEBI Regulations, it is now mandatory to provide nomination details for Members holding shares in physical mode by filling and submitting the nomination forms (to the Company / TSRDCPL – for physical shares; to DP – for dematerialized shares). The forms are also available on the website of the Company at [http://www.siemens.co.in/en/index/investor/investor\\_services.html](http://www.siemens.co.in/en/index/investor/investor_services.html).
  - e. Members holding shares in more than one folio in the same name(s) are requested to send the details of their folios along with the share certificates so as to enable the Company to consolidate their holdings into one folio.
  - f. Deal only through SEBI registered intermediaries and give clear and unambiguous instructions to your broker / sub-broker / DP.
  - g. Keep copies of all your investment documentation i.e. Share transfer deed, Share Certificate etc.
  - h. Send share certificates, cheques, demand drafts etc. through registered post or courier.
  - i. Regarding registration of power of attorney, Members holding shares in physical form should notify TSRDCPL and those who are holding shares in demat mode, should send their instructions directly to their DP. This will help the Company and TSRDCPL to provide efficient and better services.
  - j. Loss of Shares: In case of loss/misplacement of shares, Members should immediately lodge a complaint/FIR with the police and then inform the RTA who will guide on the procedure of obtaining the duplicate share certificates.
- I. **Non-Resident Members :** Non-Resident Members are requested to immediately notify the following to the Company in respect of shares held in Physical form and to their DPs in respect of shares held in Dematerialised form:
- Indian address for sending all communications, if not provided so far;
  - Change in their residential status on return to India for permanent settlement;
  - Particulars of the Bank Account maintained with a bank in India, if not furnished earlier; and
  - RBI Permission number with date to facilitate prompt credit of dividend in their Bank Accounts.

On behalf of the Board of Directors  
For **Siemens Limited**

**Deepak S. Parekh**  
**Chairman**  
DIN - 00009078

Mumbai  
Wednesday, 24<sup>th</sup> November, 2021

ANNEXURE VI TO THE DIRECTORS' REPORT

# Annual Report on Corporate Social Responsibility Activities FY 2020-21



COVID-19 Second Level Treatment Center



SHG supported with machinery



COVID-19 Dry ration support



Off farm livelihood



COVID-19 Awareness campaign



Livelihood support for women



Watershed interventions



In-plant training of ITI trainees



Dual-VET MoU Signing with Maharashtra State Government



Farming

## 1. Brief outline on CSR Policy of the Company

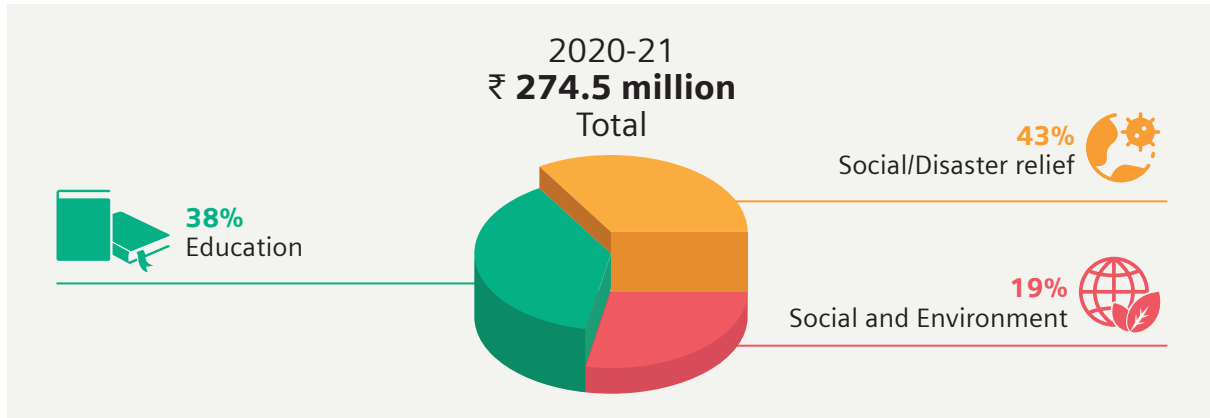
# Corporate Social Responsibility at a glance

As a technology company, Siemens is driven by the aspiration to address the world's most profound challenges by leveraging the convergence of digitalization and sustainability. We take the lead and transform the everyday for billions of people by creating technology with purpose, that provide answers for a better future and creates value for all our stakeholders.

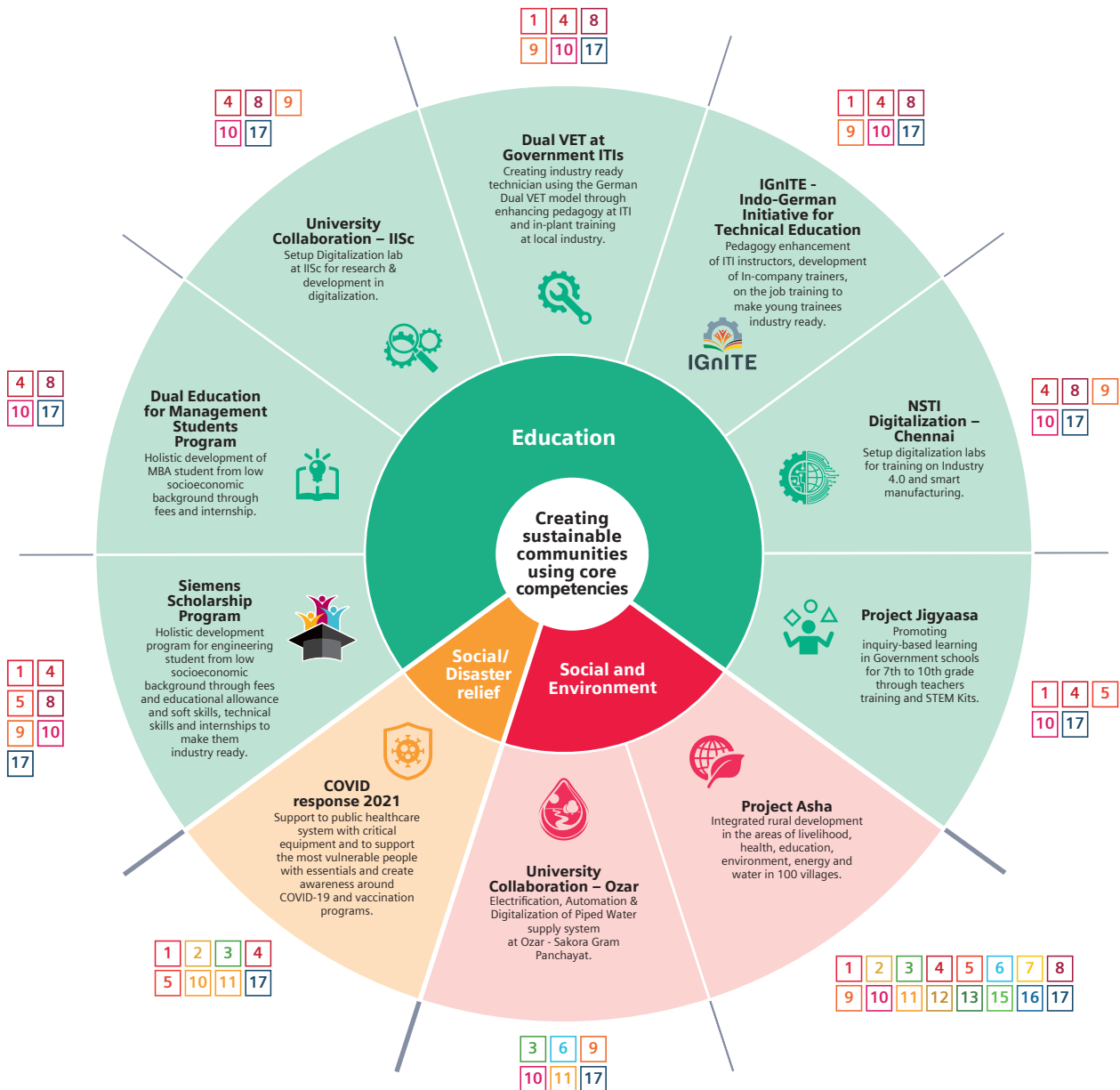
At Siemens our commitment is to improve quality of life and create lasting value for the society. Based on the UN Sustainable Development Goals and our core competencies, Siemens in India has defined 3 strategic focus areas for its Corporate Social Responsibility: Education, Social and Environment. To achieve sustainable impact on the communities, we partner with a broad number of external stakeholders to implement our projects on the ground.



# Our focus areas



## CSR activities in relation to SDGs



# Creating social impact

All our CSR activities are long-term projects that are designed to create sustainable value to society by focusing on strengthening the skilling ecosystem, upgrading the public healthcare infrastructure, promotion of innovations that sustain the environment and enhance living conditions. In FY 2020-21, our CSR activities contributed to improving 5 key areas.

## 1 Developing local jobs and skills

Partnered with **1,400+** local industry to make Technicians industry ready

**250+** ITI instructors trained on German Dual VET pedagogy

**5,800+** ITI trainees trained using Dual VET pedagogy

**140+** Secondary teachers trained on STEM

**19,000+** students exposed to STEM

**935** Engineering Students made Industry Ready of which **50%** are girls

## 2 Driving Innovation

**3** lighthouses to promote digitalization/ Industry 4.0 in local industries

## 3 Sustaining Environment

Water storage potential of **265'5** million litres created

**49 kW** solar energy added

**28,000+** saplings planted

## 4 Improving Quality of Life

**2 RT PCR** labs augmented; increased 2500 tests per day

**11 Hospitals** Critical Care capacity improved

**700,000+** reached via COVID Awareness Drives and Helpdesk

COVID care provided to **3,700+** people through Second Level Treatment Centers

**5,000+** industry workforce vaccinated

**100** villages provided access to water, healthcare, livelihood and education

## 5 Supporting Societal Transformation

**70%** more women participating in governance in 100 villages

**70%** farmers accessing government schemes in 100 villages

Empowering girls to take **STEM** Careers

Transforming the living conditions of **7,300+** families by rise in income



## 2. Composition of CSR Committee

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Deepak S. Parekh	Chairman	3	3
2	Mr. Sunil Mathur	Member	3	3
3	Dr. Daniel Spindler	Member	3	3
4	Mr. Johannes Apitzsch*	Member	2	2
5	Ms. Mariel von Schumann <sup>†</sup>	Member	1	1

\*Appointed as Member with effect from 13<sup>th</sup> February 2021 | <sup>†</sup> Member up to 12<sup>th</sup> February 2021

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

**Composition of CSR Committee:**

<https://assets.new.siemens.com/siemens/assets/api/uuid:26da7fd3-0ed2-4c07-b468-e817636467a1/composition-committees-of-the-board-01-03-2021.pdf>

**CSR Policy:**

<https://assets.new.siemens.com/siemens/assets/api/uuid:be123153-67bc-4f31-9856-46c12634b6cd/SiemensLimitedCSRPolicy11May2021.pdf>

**CSR projects:**

<https://assets.new.siemens.com/siemens/assets/api/uuid:b624cbce-72f2-4b63-8d48-9ea2a091f9cb/SiemensLimitedCSRProjectsFY21.pdf>

### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not applicable

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (INR in million)	Amount required to be set-off for the financial year, if any (INR in million)
1	2020-21	Nil	Nil
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>

### 6. Average net profit of the Company as per section 135(5) – INR 13,599 million

### 7. (a) Two percent of average net profit of the Company as per section 135(5) – INR 272 million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Nil

(c) Amount required to be set off for the financial year, if any – Nil

(d) Total CSR obligation for the financial year (7a+7b-7c) – INR 272 million

### 8. (a) CSR amount spent or unspent for the financial year:

Total amount Spent for the financial year (INR in million)	Amount Unspent (INR in million)				
	Total amount transferred to unspent CSR account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
274.5	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

## (b) Details of CSR amount spent against ongoing projects for the financial year:

INR in million

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes /No)	Location of the project		Project duration	Amount allocated for the project	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	COVID response 2021	i, xii	Yes	All India		2021 - 2022	102.3	112.6	0	Yes/No	Action Aid Association, - Caritas India	CSR0000 0955 CSR0000 4745
2	Siemens Scholarship Program - Batch VIII	ii	Yes	All India		2021 - 2024	16.5	17.6	0	No	Smile Foundation	CSR0000 1634
3	IGNITE - Indo-German Initiative for Technical Education	ii	Yes	Goa, Telangana, Haryana, Assam, Arunachal Pradesh	Goa, Hyderabad, Gurugram	2021 - 2024	7.0	6.9	0	No	Centum Foundation	CSR0000 0520
4	Project Asha - Mokhada (Aase)	i, iv, x	Yes	Maharashtra	Palghar	2019 - 2022	19.5	18.0	0	No	AROE HAN	CSR0000 5435
5	Siemens Scholarship Program - Batch VI	ii	Yes	All India		2019 - 2022	17.0	14.2	0	No	Smile Foundation	CSR0000 1634
6	Siemens Scholarship Program - Batch VII	ii	Yes	All India		2020 - 2023	15.7	13.2	0	No	Smile Foundation	CSR0000 1634
7	Project Asha - Mokhada (Koshimshet - Dhamanshet)	i, iv, x	Yes	Maharashtra	Palghar	2021 - 2024	14.8	16.9	0	No	AROE HAN	CSR0000 5435
8	Project Jigyaasa	ii	Yes	Maharashtra, Goa West, Bengal	Mumbai, Thane, Navi-Mumbai, Pune, Aurangabad, Goa and Kolkata	2019 - 2022	9.3	9.0	0	No	Action Aid Association	CSR0000 0955
9	Project Asha - Aurangabad (Sagarwadi)	i, iv, x	Yes	Aurangabad	Aurangabad	2019 - 2022	9.2	9.4	0	No	Action Aid Association, Caritas	CSR0000 0955
10	Dual VET at Government ITIs	ii	Yes	All India		2021 - 2023	6.0	4.6	0	No	Tata Community Initiatives Trust	CSR0000 2739

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
11	University Collaboration - IISc	ii, ix	Yes	Karnataka	Bengaluru	2020 - 2021	6.0	6.0	0	Yes		
12	Siemens Scholarship Program - Batch V	ii	Yes	All India		2018 - 2021	5.5	6.7	0	No	Smile Foundation	CSR0000 1634
13	Dual Education for Management Students 2021	ii	Yes	Maharashtra	Mumbai	2021 - 2023	2.5	2.2	0	No	Indo German Chamber of Commerce	CSR0000 8598
14	Project Asha - Aurangabad (Daregaon)	i,x	Yes	Aurangabad	Aurangabad	2020 - 2022	2.6	2.9	0	No	Action Aid Association	CSR0000 0955
15	University Collaboration - Ozar	ii, ix	Yes	Maharashtra	Nashik	2019 - 2021	0.8	1.3	0	Yes		
16	Dual Education for Management Students 2019	ii	Yes	Maharashtra	Mumbai	2019 - 2021	0.4	0.7	0	No	Indo German Chamber of Commerce	CSR0000 8598
17	Siemens Scholarship Program - Batch IV	ii	Yes	All India		2018 - 2021	0.5	0.5	0	No	Smile Foundation	CSR0000 1634
18	Dual Education for Management Students 2020	ii	Yes	Maharashtra	Mumbai	2020 - 2022	0.2	0.2	0	No	Indo German Chamber of Commerce	CSR0000 8598
	<b>Total</b>						<b>235.8</b>	<b>242.8</b>	<b>0</b>			



**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

INR in million

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	NSTI Digitalization - Chennai	ii, ix	Yes	Tamil Nadu	Chennai	18.7	Yes		
	<b>Total</b>					<b>18.7</b>			

**(d) Amount spent in Administrative Overheads – INR 13 million**

**(e) Amount spent on Impact Assessment, if applicable – Nil**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – INR 274.5 million**

**(g) Excess amount for set off, if any – INR 2.5 million**

Sr. No.	Particular	Amount (INR in million)
(i)	Two percent of average net profit of the company as per section 135(5)	272.0
(ii)	Total amount spent for the Financial Year	274.5
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2.5
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2.5

## 9. (a) Details of unspent CSR amount for the preceding three financial years

Not applicable

## (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

INR in million

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed /Ongoing
1	—	COVID response 2021	2021	2021 - 2022	102.3	112.6	112.6	Ongoing
2	—	Siemens Scholarship Program - Batch VIII	2021	2021 - 2024	16.5	17.6	17.6	Ongoing
3	—	IGNITE - Indo-German Initiative for Technical Education	2021	2021 - 2024	7.0	6.9	6.9	Ongoing
4	—	Project Asha - Mokhada (Aase)	2019	2019 - 2022	19.5	18.0	NA	Ongoing
5	—	Siemens Scholarship Program - Batch VI	2019	2019 - 2022	17.0	14.2	NA	Ongoing
6	—	Siemens Scholarship Program - Batch VII	2020	2020 - 2023	15.7	13.2	NA	Ongoing
7	—	Project Asha - Mokhada (Koshimshet - Dhamanshet)	2021	2021 - 2024	14.8	16.9	16.9	Ongoing
8	—	Project Jigyaasa	2019	2019 - 2022	9.3	9.0	NA	Ongoing
9	—	Project Asha - Aurangabad (Sagarwadi)	2019	2019 - 2022	9.2	9.4	NA	Ongoing
10	—	Dual VET at Government ITIs	2021	2021 - 2023	6.0	4.6	4.6	Ongoing
11	—	University Collaboration - IISc	2020	2020 - 2021	6.0	6.0	NA	Ongoing
12	—	Siemens Scholarship Program - Batch V	2018	2018 - 2021	5.5	6.7	NA	Completed
13	—	Dual Education for Management Students 2021	2021	2021 - 2023	2.5	2.2	2.2	Ongoing
14	—	Project Asha - Aurangabad (Daregaon)	2020	2020 - 2022	2.6	2.9	NA	Ongoing
15	—	University Collaboration - Ozar	2019	2019 - 2021	0.8	1.3	NA	Completed
16	—	Dual Education for Management Students 2019	2019	2019 - 2021	0.4	0.7	NA	Completed
17	—	Siemens Scholarship Program - Batch IV	2018	2018 - 2021	0.5	0.5	NA	Completed
18	—	Dual Education for Management Students 2020	2020	2020 - 2022	0.2	0.2	NA	Ongoing
	<b>Total</b>				<b>235.8</b>	<b>242.8</b>		

## 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

INR in million

Sr. No.	(a) Date of creation or acquisition of the capital asset(s)	(b) Amount of CSR spent for creation or acquisition of capital asset	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
1	25/09/2021	18.7	National Skill Training Institute, Chennai	Upgradation of 3 labs and set up of 2 new Digitalization Labs at NSTI Chennai, Guindy Institutional Area, SIDCO Industrial Estate, Guindy, Chennai 600032
2	15/05/2021	6.13	Government Medical College Hospital, Aurangabad	RT PCR Lab setup at GMCH Aurangabad, Panchakki Rd, Nagsenvan, Aurangabad, Maharashtra 431001
3	25/09/2021	13.62	Navi Mumbai Municipal Corporation, Palm Beach Rd, CBD Belapur, Navi Mumbai 400614	RT PCR Lab setup including AC, AHU, CCTV and testing equipments at Maasaheb Meenatai Thackeray Hospital, Park Avenue Road, Sector 15, Nerul, Navi Mumbai 400706
4	30/09/2021	41.75	As per adjacent cell	42 Ventilators provided to the following Government hospitals: <ol style="list-style-type: none"> <li>1. Sir Sayajirao General Hospital, Jail Rd, Vadodara 390001</li> <li>2. Maasaheb Meenatai Thackeray Hospital, Park Avenue Road, Sector 15, Nerul 400706</li> <li>3. GMCH Aurangabad, University Rd, Jubilee Park, Aurangabad 431004</li> <li>4. Rajiv Gandhi Hospital, Deccan College Rd, Yerawada, Pune 411006</li> <li>5. Government Combined District Hospital, Sector 39, Gautam Budh Nagar, Noida 201303</li> <li>6. ESI Hospital, PGIMSR 54 Bagmari Road, Kolkata 700054</li> <li>7. Bai Rukminibai Hospital, Murbad Road, Near Mahatma Phule Chowk, Kalyan 421301</li> <li>8. Pediatric ICU, Maulana Azad Medical College, Delhi 110002</li> <li>9. Bowring and Lady Curzon Hospital, Lady Curzon Rd, Shivaji Nagar, Bengaluru 560001</li> </ol>
5	30/09/2021	7.11	Community Health Centre, Valpoi, Goa	400 LPM PSA Oxygen Generation Plant set up at Community Health Centre, Valpoi, Goa 403506
6	30/09/2021	4.38	Nashik Municipal Corporation, Sharanpur Road, Nashik	200 LPM PSA Oxygen Generation Plant set up at Balasaheb Thackeray Dedicated Covid Centre (Crompton Hall CCC) CIDCO, Nashik
7	30/09/2021	2.78	<ol style="list-style-type: none"> <li>1. Grampanchayat - Suryamal, Kevnale</li> <li>2. Grampanchayat - Suryamal</li> <li>3. Grampanchayat - Pathardi-Botoshi</li> <li>4. Grampanchayat-Koshimshet-Dhaman-shet</li> <li>5. Grampanchayat-Koshimshet-Dhaman-sheti</li> </ol>	Solar based lifting system and community water filtration set up in Taluka Mokhada District Palghar: <ol style="list-style-type: none"> <li>1. 3 kWp at Kevnale</li> <li>2. 2.37 kWp at Kevnale</li> <li>3. 3.12 kWp at Dongarwadi</li> <li>4. 3.6 kWp at Bedukpada</li> <li>5. 3 kWp at Behetwadi</li> </ol>

Sr. No.	(a) Date of creation or acquisition of the capital asset(s)	(b) Amount of CSR spent for creation or acquisition of capital asset	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
8	18/06/2021	5.6	<ol style="list-style-type: none"> <li>1. Grampanchayat-Ase Bramhangaon</li> <li>2. Grampanchayat-Ase Dhamani</li> <li>3. Grampanchayat-Koshimshet-Dhamanshet</li> </ol>	New Check Dams constructed in Taluka Mokhada District-Palghar: <ol style="list-style-type: none"> <li>1. Bramhangaon</li> <li>2. Dhamani</li> <li>3. Sonarwadi</li> </ol>
9	23/06/2021	2.62	<ol style="list-style-type: none"> <li>1. Grampanchayat - Koshimshet-Dhamanshet</li> <li>2. Grampanchayat - Surymal</li> <li>3. Grampanchayat - Ase Dhamodi</li> </ol>	New Wells constructed in Taluka Mokhada District-Palghar: <ol style="list-style-type: none"> <li>1. Koshimshet</li> <li>2. Surymal</li> <li>3. Dhamani</li> </ol>
10	10/08/2021	1.09	<ol style="list-style-type: none"> <li>1. SHG - Vishwas Mahila Bachat Gat, Dolhara</li> <li>2. SHG - Mauli Swaynsahayata Bachat Gat, Shirasgaon</li> <li>3. SHG - Maruti Swaynsahayata Bachat Gat, Thakurwadi-Dhamanshet</li> <li>4. SHG - Mahila Bachat Gat Botewadi, Botewadi</li> </ol>	4 units of Rotavator-cum-cultivator-cum-reaper to SHGs in Taluka Mokhada District-Palghar: <ol style="list-style-type: none"> <li>1. Dolhara, Post-Dolhara</li> <li>2. Shirasgaon, Post-Khodala</li> <li>3. Thakurwadi, Post-Dilhara</li> <li>4. Botewadi, Post-Khodala</li> </ol>
11	28/09/2021	0.05	<ol style="list-style-type: none"> <li>1. SHG - Savitri Mahila Bachat Gat, Sadakwadi</li> <li>2. SHG - Santoshi Swaynsahayata Mahila Bachat Gat, Bramhangaon</li> <li>3. SHG - Pari Swaynsahayata Mahila Bachat Gat, Karoli</li> <li>4. SHG - Savtribai Fule Swaynsahayata Mahila Bachat Gat, Dongarwadi</li> <li>5. SHG - Ekta Swaynsahayata Mahila Bachat Gat, Dolhara</li> </ol>	5 units of Solar Dryer to SHGs in Taluka Mokhada District-Palghar: <ol style="list-style-type: none"> <li>1. Sadakwadi, Post-Dolhara</li> <li>2. Bramhangaon, Post-Ase</li> <li>3. Karoli, Post-Ase</li> <li>4. Dongarwadi, Post-Khodala</li> <li>5. Dolhara, Post-Dolhara</li> </ol>
12	15/09/2021	0.06	SHG Adhar Mahila Bachat Gat - Khadakwadi	Flour Mill to SHG Grampanchayat-Khadakwadi, Tal-Badnapur, District-Jalna
13	24/09/2021	0.35	SHG Streeshakti Shetkari Mahila Bachat Gat	Agricultural Equipment to SHG Grampanchayat-Sagarwadi, Tal-Badnapur, District-Jalna
14	27/09/2021	0.35	<ol style="list-style-type: none"> <li>1. Krushidayan Swayyam Sahayata bachat Gat-Dhasla</li> <li>2. Jijaamata mahila Bachat Gat-Naygahvan</li> </ol>	2 units of Silage Machine to SHG: <ol style="list-style-type: none"> <li>1. Grampanchayat-Dhasla, Tal-Badnapur, District-Jalna</li> <li>2. Grampanchayat- Naygahvan-Tal-District-Aurangabad</li> </ol>

Sr. No.	(a) Date of creation or acquisition of the capital asset(s)	(b) Amount of CSR spent for creation or acquisition of capital asset	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
15	27/09/2021	0.17	Mahatama Swayyam Sahhyata Bachat Gat-Aurangpur	Thresher to SHG in Grampanchayat -Syyadpur/Aurangpur-Village-Aurangpur, Tal-District-Aurangabad
16	27/09/2021	0.16	Ganraj Mahila Bachat Gat-Kandari	Papad making Machine to SHG in Grampanchayat- Kandari-Tal-Badnapur District-Jalna
17	29/09/2021	0.23	Samrudhi Swayyam Sahhyata Bachat Gat-Sagarwadi	Oil Machine to SHG in Grampanchayat-Sagarwadi Tal-Badnapur District-Jalna
18	29/09/2021	1.53	Directorate of Education, Government of Goa	5 computers each provided to: <ol style="list-style-type: none"> <li>1. Government High School Zuarinagar, Vasco-de-Gamay, Goa 403802</li> <li>2. Government High School Dona Paula, Tiswadi, Goa 403004</li> <li>3. Government Multipurpose High School Near Government ITI, Borda, Margao, Goa 403601</li> <li>4. Shri Sharada Vidyala Government High School Kumbharjua, Khadapawad, Goa 403107</li> <li>5. Government High School, Namoshi Guirim Bardez, Goa 403507</li> <li>6. Government High school Sadar, Shanti Nagar, Ponda, Goa 403401</li> <li>7. Govt. High School Amona, Marcel, Goa 403107</li> <li>8. Government High School Margao Near St. Joseph High School, Aquem, Margao, Goa 403601</li> <li>9. Government High School Next to Education Dept. Alto Betim, Porvorim, Goa 403521</li> <li>10. Government High School Nadora, Revora, Bardez, Goa 403513</li> </ol>
	<b>Total</b>	<b>106.68</b>		

### 11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) - Not applicable

On behalf of the Board of Directors  
For **Siemens Limited**

**Deepak Parekh**  
Chairman of CSR Committee  
DIN: 00009078

**Sunil Mathur**  
Managing Director and Chief Executive Officer  
DIN: 02261944

Mumbai  
Wednesday, 24<sup>th</sup> November 2021

## Annexure VII to the Directors' Report

# Statement of Disclosure of Remuneration

Pursuant to Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. Ratio of the remuneration of each Whole-time Director to the median remuneration of the employees of the Company for the Financial Year 2020-21, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary during the Financial Year 2020-21:

Sr. No.	Name of Director / Key Managerial Personnel	Designation	Ratio of the remuneration of each Director to median remuneration of employees	Percentage increase in the Remuneration
1.	Mr. Sunil Mathur	Managing Director and Chief Executive Officer	74:1	Nil
2.	Dr. Daniel Spindler	Executive Director and Chief Financial Officer	34:1	Nil
3.	Mr. Ketan Thaker	Company Secretary	Not applicable	15 <sup>#</sup>

#with effect from 1<sup>st</sup> April 2021

### Notes:

The Independent Directors / Non-executive Directors of the Company are entitled for sitting fees and commission as per the statutory provisions and within the limits approved by the Members. The Non-executive Directors of the Company (except Ms. von Schumann\*) have opted not to accept any sitting fees and commission. The details of remuneration of Non-executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for remuneration of Non-executive Directors is therefore not considered for the above purpose.

\*ceased to be a Director with effect from 12<sup>th</sup> February 2021.

- ii. The percentage increase in the median remuneration of employees for the Financial Year 2020-21 was Nil.
- iii. The Company had 8,608 permanent employees on the rolls of the Company as on 30<sup>th</sup> September 2021.
- iv. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was Nil. The increase in the managerial remuneration was Nil.
- v. It is hereby affirmed that the remuneration paid during the Financial Year 2020-21 is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors  
For **Siemens Limited**

**Deepak S. Parekh**  
Chairman  
DIN: 00009078

Mumbai  
Wednesday, 24<sup>th</sup> November 2021

## Annexure VIII to the Directors' Report

### Form No. AOC-2

Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

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Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Act including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangements or transactions at arm's length basis: Nil

On behalf of the Board of Directors  
For **Siemens Limited**

**Deepak S. Parekh**  
Chairman  
DIN: 00009078

Mumbai  
Wednesday, 24<sup>th</sup> November 2021

## Annexure IX to the Directors' Report

# Particulars of Loans, Guarantees or Investments

Pursuant to Section 186(4) read with Section 134(3)(g) of the Act

### Particulars of Loans, Guarantees or Investments

(₹ in million)

Sr. No.	Nature of transaction (loans given / investments made / guarantees given / security provided)	Purpose for which loan / guarantees / security is proposed to be utilised by the recipient	As at 30.09.2021	As at 30.09.2020	Maximum outstanding during the year
1.	<b>Loans and Advances:</b>				
	Siemens Financial Services Private Limited	Working capital and general corporate purpose	7,400	6,700	7,400
	Siemens Factoring Private Limited		680	1,000	980
	Siemens Technology and Services Private Limited		0	0	200
2.	<b>Investment:</b>				
	Siemens Rail Automation Private Limited	Equity investment	550	550	Not Applicable
	C&S Electric Limited		21,570	0	Not Applicable

On behalf of the Board of Directors  
For **Siemens Limited**

**Deepak S. Parekh**  
Chairman  
DIN: 00009078

Mumbai  
Wednesday, 24<sup>th</sup> November 2021



# Annexure X to the Directors' Report

## Form No. MR-3

Secretarial Audit Report

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### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 30<sup>TH</sup> SEPTEMBER, 2021

(Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,  
The Members,  
**Siemens Limited**  
Birla Aurora, Level 21, Plot No. 1080,  
Dr. Annie Besant Road, Worli,  
Mumbai – 400030

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Siemens Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 30<sup>th</sup> September, 2021, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended 30<sup>th</sup> September, 2021 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act")
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (vi) Other laws applicable specifically to the Company namely:
  - a) The Air (Prevention & Control of Pollution) Act, 1981

- 
- b) The Batteries (Management and Handling) Rules, 2001
  - c) The Environment (Protection) Act, 1986
  - d) The Explosives Act, 1884
  - e) The Factories Act, 1948
  - f) The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
  - g) The Industries (Development and Regulation) Act, 1951
  - h) The Water (Prevention and Control of Pollution) Act, 1974

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following event occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

- (a) On 1<sup>st</sup> March 2021, the Company acquired 99.22% (approximately) equity shares of C&S Electric Limited from its promoters, for an aggregate consideration of ₹ 21,000 million on a cash free / debt free basis on terms and conditions that are mutually agreed between the parties to the transaction.
- (b) On 1<sup>st</sup> January 2021, the Company sold and transferred its Mechanical Drives business as a going concern on a slump sale basis to Flender Drives Private Limited for a final consideration of ₹ 3,759 million (after adjusting the consideration of ₹ 4,400 million for changes in net current assets and capital expenditure as per the terms and conditions agreed between the parties).

**For Parikh Parekh & Associates**

Company Secretaries

**Jigyasa N. Ved**

Partner

FCS No: 6488 CP No: 6018

UDIN: F006488C001527381

PR No.:723/2020

Mumbai

Date: 24<sup>th</sup> November 2021

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

# Annexure X to the Directors' Report

## Form No. MR-3

Secretarial Audit Report

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### 'Annexure A'

To,  
The Members,  
**Siemens Limited**  
Birla Aurora, Level 21, Plot No. 1080,  
Dr. Annie Besant Road, Worli,  
Mumbai – 400030

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

### For Parikh Parekh & Associates

Company Secretaries

#### Jigyasa N. Ved

Partner

FCS No: 6488 CP No: 6018

UDIN: F006488C001527381

PR No.:723/2020

Mumbai

Date: 24<sup>th</sup> November 2021

# Business Responsibility Report - Abstract

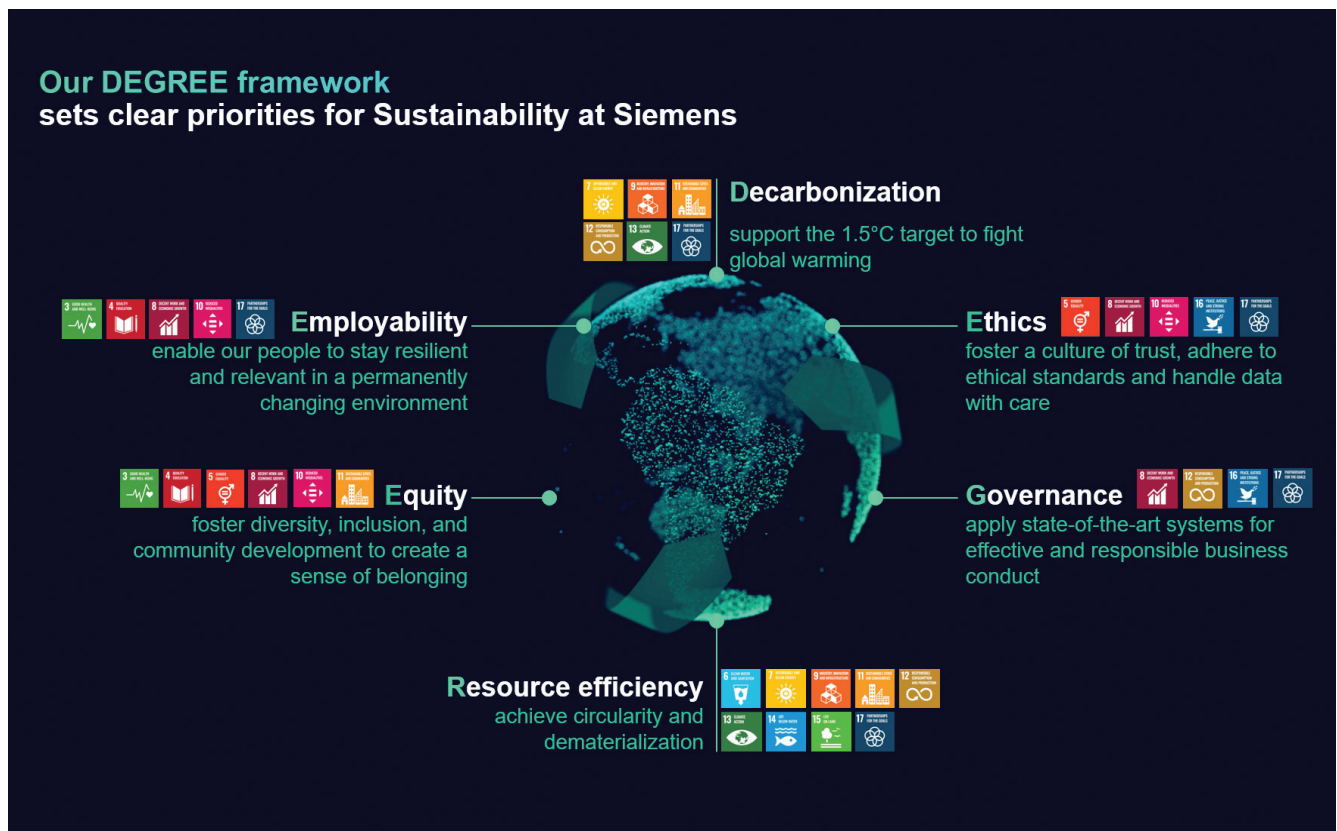
We define our purpose as our aspiration to provide innovations that improve quality of life and create value for people all over the world. We make real what matters. Serving society while doing successful and sustainable business is at the heart of Siemens' strategy. It's our Company's ultimate purpose. And every Siemens business will serve this purpose, for all our stakeholders – for investors, employees, customers, partners, and societies alike. The 17 Sustainable Development Goals (SDGs) set out in the United Nation's (UN) 2030 Agenda outline humanity's consensus on what constitutes progress. They're also our yardstick for measuring Siemens' impact on the world.

Sustainability at Siemens is a key enabler of our strategy program. We are guided by responsible business practices in our interactions with external and internal stakeholders. We are convinced that sustainability is a business opportunity, especially in the sense of energy

and resource efficiency, and a key element for our aim to be the employer of choice. Responsible business practices are an essential part of corporate world.

The Siemens Business Responsibility Reporting (BRR) is the practice of setting standards, measuring, disclosing, and being accountable for organizational performance while working towards the goal of responsible and sustainable development. Siemens Limited is committed to acting responsibly to achieve economic, environmental and social progress and has policies against each principle which help achieve progress in business responsibility.

Our understanding of sustainability is fully based on our Company values – responsible, excellent and innovative. We define sustainable development as the means to achieve profitable and long-term growth. At Siemens we have a clear commitment to think and act in the interest of future generations, balancing People, Planet and Profit.



# Business Responsibility Report - Abstract

## Ethics, Transparency and Accountability

Siemens holds the highest standards of integrity and behavior, ensuring compliance and adherence to the law and internal regulations through the Siemens Compliance System. Siemens has zero tolerance for corruption and violations of the principles of fair competition. Siemens has adopted the Business Conduct Guidelines (BCG), which details the minimum acceptable ethical and responsible business practices for employees, channel partners, suppliers, vendors, NGOs and contractors. The Company is committed to transparency and best practices which are also extended to suppliers through the Code of Conduct for Suppliers.

This code warrants compliance with laws prohibiting child labour, taking responsibility for the health and safety of their employees and ensuring that suppliers act in accordance with applicable statutory and international standards regarding environmental protection. Similarly, all channel partners are covered through Code of Conduct for Channel Partners.

The communication of the Code of Conduct is done on a regular basis. TELL US, the whistleblower hotline, further demonstrates our commitment to compliance.

## Sustainable Products and Services

Siemens' technical expertise, comprehensive portfolio and long-standing experience are helping to pioneer a sustainable

future across the globe. Advanced algorithms, high-powered computing, better connectivity and cloud storage all facilitate the emergence of smart systems. Knowing how to leverage the respective opportunities, however, requires a unique set of skills.

Siemens has the engineering, domain and digital know-how to generate performance improvements across the entire value chain, from design to production and operations to maintenance. Siemens through efforts such as strict Code of Conduct, External Sustainability Audits (ESA) for Suppliers and an efficient Vendor Monitoring system, ensures sustainability throughout the value chain. 77% of materials sourced from third party suppliers were procured within the boundary of India out of which 34% were sourced from Micro, Small and Medium Enterprises (MSMEs).

Among the highlights are three of our solutions that have led to reduction of use of resources during production and during operation:

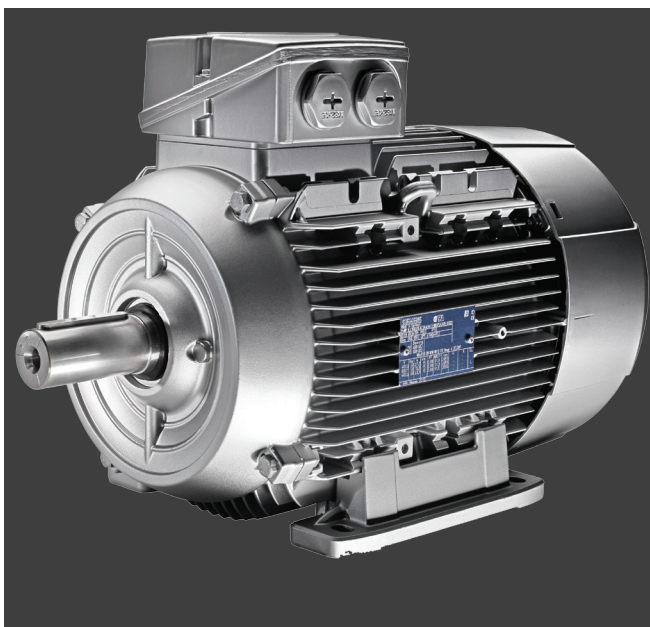
1. Regenerative breaking in EMU Mumbai and Electric Locomotives
2. Sinorix 227 and Sinorix 1230 Fire Extinguishing system
3. Premium Efficiency Motors IE3 with CE Complaint Design



Regenerative breaking helps save energy by converting mechanical energy into electrical energy, which goes to the power supply grid.



Sinorix 227 is based on HFC 227ea, an extinguishing agent known around the world, and 42-bar technology that makes it particularly efficient and space-saving.



Siemens SIMOTICS Premium Efficiency 1LE7 motors (IE3 with CE complaint design) are capable of offering an average monetary savings of up to 8 – 20% depending on the frame size.

#### **Wellbeing of Employees**

Siemens being a responsible company is committed to wellbeing of its employees. Siemens Health Management provides occupational health services at its centres, at all offices & sites across India, along with emergency medical services.

Siemens supports collective bargaining. Through continual dialogue with associations the Company strives to maintain cordial relationships with employees and work towards their welfare. Siemens has a governance structure in place to address complaints related to child labour, forced labour, involuntary labour and discrimination or harassment of any kind. There is a separate committee to address complaints regarding sexual harassment. The chairperson of this committee is a senior woman employee.

#### **Responsiveness to all Stakeholders**

Siemens has mapped investors, employees, customers, suppliers, business partners and civil society organizations as stakeholders. The Company engages with permanent employees through engagement surveys and periodic worker settlement reviews. The external stakeholders are engaged through defined activities such as customer events, supplier and channel partner meet and Small and Medium Enterprises (SME) training.

The marginalized and disadvantaged communities whose welfare Siemens works towards include, tribal communities, less privileged youth, students from low-socio economic

background, women who are underserved from healthcare facilities and future workers in the unorganized sector. Siemens's CSR portfolio effectively addresses these issues through its various projects.

#### **Protection of Human Rights**

Siemens respects human rights. The BCG are in line with the UN Human Rights Declaration, European Human Rights Convention as well as ILO Principles. All suppliers, vendors, channel partners and other business partners associated with the Company have to commit to the Siemens Code of Conduct which incorporates principles of Human Rights.

#### **Protection of Environment**

Siemens' commitment towards clean technology and energy efficiency is not limited to the design of new products but extends to the manufacturing plants as well. Some notable steps taken this year in continuation to previous year are:

- Solar rooftop project which resulted in saving 2,915 tonnes of CO<sub>2</sub> emissions.
- Undertaken energy efficient programs at several of our factories and plants, which resulted in savings of 207 MWh of electricity or 163 tonnes of CO<sub>2</sub>.

#### **Public Policy Engagement**

Siemens influences affirmative sustainability actions and enables technology through sharing of best practices. Through membership with trade and industry associations, the Company has advocated on standardization in technical regulation, e-mobility and infrastructure (chargers), renewable energy, energy storage, distributed energy systems, smart grids and digitalization, business ethics and skill development. The Company continuously makes efforts to further contribute on specific sustainable business issues.

#### **Inclusive Growth and Equitable Development**

Siemens CSR policy is governed by the Corporate Citizenship Strategy which focuses on integrating community development issues with business strategies to leverage the Company's core competencies while addressing community needs. The policy has seven focus areas under three main pillars – Education, Environment and Social under which various initiatives are undertaken by the Company.

#### **Customer Satisfaction**

As per well-established practice, Siemens measures customer satisfaction every year across all sectors based on uniform and harmonized Net Promoter Score (NPS) methodology. Our NPS (Net Promoter Score), has quadrupled over the past eight years. From 19 in FY 2012-13 it has increased to 79 in FY 2020-21. In light of the green initiative full text of the Business Responsibility Report 2020-21 can be accessed at [https:// new.siemens.com/in/en/company/investor-relations/ annualreports.html](https://new.siemens.com/in/en/company/investor-relations/annualreports.html).

# INDEPENDENT AUDITORS' REPORT

## Siemens Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of Siemens Limited ("the Company"), which comprise the standalone balance sheet as at 30 September 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 30 September 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### The key audit matters

##### Description of Key Audit Matters

Revenue recognition on construction contracts	How the matter was addressed in our audit
<p>A significant portion of the Company's business is from construction contracts, where revenue is recognised under the percentage-of-completion method. This is based on the percentage of costs incurred to date compared to the total estimated contract costs. (Refer note 33 and 42 to the standalone financial statements).</p> <p>We identified revenue recognition on construction contracts as a key audit matter, since: -</p> <ul style="list-style-type: none"> <li>There is an inherent risk and presumed risk of fraud around the existence and valuation of revenues recognised considering the customized and complex nature of these contracts and significant inputs of IT systems.</li> <li>Application of Ind AS 115 Revenue from Contracts with customers is complex and involves a number of significant judgements and estimates. These relate to identifying performance obligations, transaction price, estimating the balance cost-to-complete the contract and determining the percentage of completion of the relevant performance obligation.</li> </ul>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the Company's systems, processes, policies and controls for construction contracts.</li> <li>Obtained an understanding of business processes specific to construction contracts, from its initiation through presentation in the standalone financial statements and tested the operating effectiveness of key controls over these processes.</li> <li>Evaluated the Company's estimates and assumptions based on risk-based selection of sample contracts. Our audit procedures covered, among others, test of the contracts including terms and conditions, termination rights, penalties for delay and breach of contract as well as liquidated damages.</li> <li>Evaluated revenues recognised for the selected projects, analysed billable revenues and cost of sales to be recognised in the statement of profit and loss to the extent of progress towards completion.</li> <li>Performed inquiries with respect to the development of the budgeted project costs, deviations between planned and actual costs, the estimated costs to complete, and Company's assessments on probabilities related to contract risks.</li> </ul>

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

# INDEPENDENT AUDITORS' REPORT *(Continued)*

## Siemens Limited

### Key Audit Matters *(Continued)*

#### Description of Key Audit Matters

Revenue recognition on construction contracts	How the matter was addressed in our audit
<ul style="list-style-type: none"> <li>These contracts may involve onerous obligations which require critical assessment of provision for foreseeable losses to be made by the Company.</li> <li>At year-end, a significant amount of work-in-progress (contract assets) related to these contracts is recognised on the balance sheet.</li> </ul>	<ul style="list-style-type: none"> <li>Performed a retrospective analysis of costs incurred with planned costs to identify significant variations and if these are considered in estimating the balance costs to complete the contracts.</li> <li>We involved our Information Technology (IT) specialists to assess the design and operating effectiveness and testing of:               <ul style="list-style-type: none"> <li>IT environment in which the business systems operate, including access controls, program change controls, program development controls and IT operation controls over computation of revenue recognised.</li> <li>IT controls for accuracy and completeness of cost and revenue reports generated by the IT system.</li> <li>Access and application controls on allocation of resources and budgeting systems.</li> </ul> </li> </ul>
Revenue recognition on Sale of Products	
<p>The Company recognises revenue from the sales of products when control over goods is transferred to the customer based on specific terms and conditions of sale contracts with respective customers. (Refer note 33 and 42 of the standalone financial statements).</p> <p>We have identified recognition of revenue on sale of products as a key audit matter as –</p> <ul style="list-style-type: none"> <li>revenue is a key performance indicator; and</li> <li>there is a presumed fraud risk of revenue being overstated through manipulation of the timing of transfer of control due to pressures to achieve performance targets as well as meeting external expectations.</li> </ul>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the appropriateness of the policies in respect of revenue recognition by comparing with applicable accounting standards.</li> <li>Performed testing of design, implementation and operating effectiveness of the Company's general Information Technology ('IT') controls over revenue recognition and key IT application controls by involving our IT specialists.</li> <li>Performed testing of design, implementation and operating effectiveness of the Company's key manual controls around revenue recognition.</li> <li>Performed substantive testing of recognition of revenue in the correct period by selecting statistical samples of revenue transactions recorded during and at the end of the financial year.</li> <li>Examined the underlying documents such as sales invoices/ contracts and dispatch/ shipping documents for the selected transactions.</li> <li>Assessed manual journals posted in revenue ledger to identify any unusual items.</li> </ul>

#### Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information

and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone



# INDEPENDENT AUDITORS' REPORT *(Continued)*

## Siemens Limited

financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for

one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements (Continued)

when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 30 September 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 30 September 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at 30 September 2021 on its financial position in its standalone financial statements - Refer Note 39(b) to the standalone financial statements.
  - ii. The Company has made provisions, as required under applicable law and accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 41 and 50 to the standalone financial statements.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
  - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 30 September 2021.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

**Farhad Bamji**  
Partner  
Membership No: 105234  
UDIN: 21105234AAAACC1240

Place of Signature: Mumbai  
Date: 24 November 2021

## Annexure “A” to the Independent Auditors’ report on the standalone financial statements of Siemens Limited for the year ended 30 September 2021.

With reference to the Annexure A referred to in the Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 30 September 2021, we report the following:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. Pursuant to the programme, certain fixed assets were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the title deeds of immovable properties of land and buildings as disclosed in Note 3 and 4 to the Standalone Financial Statements, are held in the name of the Company.
- ii. The inventory, except for goods-in-transit and with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, these have been substantially confirmed by them. The discrepancies noticed on verification between the physical stocks and the book records were not material and these have been properly dealt with in the books of account.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 (‘the Act’). Accordingly, paragraph 3 (iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanation given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of the loans and investments made, guarantees and securities given.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148 (1) of the Act in relation to products manufactured, and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees State Insurance, Income tax, Goods and Services tax, duty of Customs, Cess and other statutory dues, as applicable have generally been regularly deposited during the year by the Company with the appropriate authorities.  
According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Goods and Services Tax, duty of Customs, Cess and other material statutory dues were in arrears as at 30 September 2021, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Value added tax, Service tax, Goods and Service tax, duty of Customs, duty of Excise which have not been deposited with the appropriate authorities on account of any disputes, except for the following:

Name of the statute	Nature of the disputed dues	Amount (₹ in millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	271.00	2005-06, 2008-09 and 2010-13	CIT (Appeal)
		3615.00	2008-17	Tribunal
Customs Act, 1962	Duty	120.00	1998-1999	High Court
		218.92	2003- 2008, 2019-2020	CESTAT
State & Central Sales Tax Acts	Tax, Interest & Penalty	414.29	1987-1990, 1995-2001, 2005-2018, 2019-2020	Assistant/Addl. Commissioner
		1,173.41	1992-1993, 1995-1997, 1999-2020	Dy. Comm./Comm./Joint/ Spl. Comm.
		2,171.35	1973-1978, 1991-1992, 1997-2018	Tribunal
		2,007.98	1984-1985, 1989-1991, 2001-2007, 2009-2013, 2016-2017	High Court
Central Excise Act 1944 & Service Act	Duty & Penalty	306.00	1988-2000, 2003-13, 2016-17	Tribunal
		483.36	2007-2012	High Court
		1.91	2016-17	Asst. Comm./Dy. Comm./Comm./Comm. (Appeal)
Goods and Service Tax Act, 2017	Tax, Interest & Penalty	46.73	2018-20	Dy. Comm./Comm./Joint/ Spl. Comm.

- viii. Based on examination of records of the Company and according to the information and explanations given to us, the Company has not defaulted in repayments of dues to its bankers. The Company did not have any outstanding dues to any financial institution, government or debenture holders during the year.
- ix. According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No. 101248W/W-100022

**Farhad Bamji**

Partner

Membership No. 105234

UDIN: 21105234AAAACC1240

Mumbai

Date: 24 November 2021

# Annexure “B” to the Independent Auditors’ report on the standalone financial statements of Siemens Limited for the year ended 30 September 2021.

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

(Referred to in paragraph 2(A)(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

## Opinion

We have audited the internal financial controls with reference to standalone financial statements of Siemens Limited (“the Company”) as of 30 September 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 30 September 2021, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

## Management’s Responsibility for Internal Financial Controls

The Company’s Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as “the Act”).

## Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those

Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to standalone financial statements.

## Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A Company’s internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

#### **Inherent Limitations of Internal Financial controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate

because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. : 101248W/W-100022

#### **Farhad Bamji**

Partner

Membership No: 105234

UDIN: 21105234AAAACC1240

Mumbai

Date: 24 November 2021

# Balance Sheet

## as at 30 September 2021

(Currency: Indian rupees millions)

	Notes	Sept 2021	Sept 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	8,470	9,783
Capital work-in-progress		304	880
Right-of-Use assets	43	1,675	1,860
Investment property	4	972	1
Other intangible assets	5	4	7
Financial assets			
- Investments	6	22,120	550
- Trade receivables	7	908	824
- Loans	8	2,125	5,060
- Other financial assets	9	2,518	446
Deferred tax assets (net)	10	2,059	2,481
Income tax assets (net)	11	6,522	6,608
Other non-current assets	12	2,891	3,025
		<u>50,568</u>	<u>31,525</u>
<b>Current assets</b>			
Inventories	13	15,847	11,064
Financial assets			
- Trade receivables	14	34,352	31,239
- Cash and cash equivalents	15	3,372	18,311
- Bank balances other than cash and cash equivalents	16	45,116	37,206
- Loans	17	6,058	2,722
- Other financial assets	18	1,973	2,748
Contract assets	19	13,193	13,107
Other current assets	20	3,343	2,809
		<u>123,254</u>	<u>119,206</u>
Asset classified as held for sale	54	-	5,925
<b>TOTAL</b>		<u><u>173,822</u></u>	<u><u>156,656</u></u>

# Balance Sheet

## as at 30 September 2021 (Continued)

(Currency: Indian rupees millions)

	Notes	Sept 2021	Sept 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	21	712	712
Other equity	22	<u>102,725</u>	<u>94,028</u>
		<b>103,437</b>	<b>94,740</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Lease Liabilities		1,368	1,196
- Trade payables			
Total outstanding dues of creditors other than micro and small enterprises		<b>388</b>	157
- Other financial liabilities	24	<b>2,736</b>	416
Long term provisions	25	<b>3,178</b>	3,270
Other non-current liabilities	26	<u>31</u>	<u>31</u>
		<b>7,701</b>	<b>5,070</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	27	25	-
- Lease Liabilities		570	861
- Trade payables			
Total outstanding dues of micro and small enterprises	48	<b>1,460</b>	1,393
Total outstanding dues of creditors other than micro and small enterprises		<b>33,207</b>	26,340
- Other financial liabilities	28	<b>3,928</b>	2,584
Contract liabilities	29	<b>12,451</b>	13,653
Other current liabilities	30	<b>1,259</b>	1,217
Short term provisions	31	<b>9,386</b>	8,681
Current tax liabilities (net)	32	<u>398</u>	<u>130</u>
		<b>62,684</b>	<b>54,859</b>
Liabilities classified as held for sale	54	-	1,987
<b>TOTAL</b>		<u><b>173,822</b></u>	<u><b>156,656</b></u>
<b>Significant accounting policies</b>	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number:- 101248W/W-100022

**For and on behalf of the Board of Directors of Siemens Limited**

**Deepak S. Parekh**

Chairman

DIN: 00009078

**Sunil Mathur**

Managing Director  
and Chief Executive  
Officer

DIN: 02261944

**Daniel Spindler**

Executive Director  
and Chief Financial  
Officer

DIN: 08533833

**Farhad Bamji**

Partner

Membership No: 105234

**Mehernosh B. Kapadia**

Director and Chairman of  
Audit Committee

DIN: 00046612

**Ketan Thaker**

Company Secretary

ACS No. 16250

Mumbai

Date: 24 November 2021

Mumbai

Date: 24 November 2021



# Statement of Profit and Loss for the year ended 30 September 2021 (Currency: Indian rupees millions)

	Notes	Sept 2021	Sept 2020
<b>Income</b>			
Revenue from operations	33	129,631	98,694
Other income	34	2,190	3,099
<b>Total income</b>		<u>131,821</u>	<u>101,793</u>
<b>Expenses</b>			
Cost of materials consumed		25,235	17,762
Purchases of Stock-in-Trade		39,244	21,637
Changes in inventories of finished goods, work-in-progress and stock-in-trade		(3,122)	1,054
Project bought outs and other direct costs	35	27,399	22,754
Employee benefits expense	36 & 56	16,041	15,404
Finance costs	37	196	292
Depreciation and amortisation expense	3, 4, 5, 43 & 56	2,282	2,504
Other expenses	38 & 56	10,240	10,180
<b>Total expenses</b>		<u>117,515</u>	<u>91,587</u>
<b>Profit before tax</b>		<u>14,306</u>	<u>10,206</u>
<b>Tax expense</b>			
Current tax	10	(3,665)	(2,668)
Deferred tax credit/(expense)	10	(14)	36
<b>Total tax expense</b>		<u>(3,679)</u>	<u>(2,632)</u>
<b>Profit after tax for the year from continuing operations</b>		<u>10,627</u>	<u>7,574</u>
<b>Discontinued operations</b>			
	54		
Profit/(Loss) before tax from discontinued operations		372	(13)
Gain from sale of discontinued operations		487	-
Tax credit/(expense) on discontinued operations		(456)	4
<b>Profit/(Loss) after tax from discontinued operations</b>		<u>403</u>	<u>(9)</u>
<b>Profit for the year</b>		<u>11,030</u>	<u>7,565</u>

# Statement of Profit and Loss for the year ended 30 September 2021 *(Continued)* (Currency: Indian rupees millions)

	Notes	Sept 2021	Sept 2020
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement gains/(losses) on defined benefit plans		368	(371)
Income tax effect		(93)	93
<i>Items that will be reclassified to profit or loss</i>			
Fair value changes on derivative designated as cash flow hedge reserve, net		(5)	149
Income tax effect		1	(38)
<b>Total other comprehensive income for the year, net of tax</b>		<b>271</b>	<b>(167)</b>
<b>Total comprehensive income for the year (Comprising profit and other comprehensive income for the year)</b>		<b>11,301</b>	<b>7,398</b>
<b>Basic and diluted earnings per share (in ₹)</b>	47		
(Equity shares of face value of ₹ 2 each)			
(i) Earnings per share from continuing operations		29.84	21.27
(ii) Earnings per share from discontinued operations		1.13	(0.03)
(iii) Earnings per share from total operations		30.97	21.24

## Significant accounting policies

1

The accompanying notes are an integral part of the financials statements.

As per our report of even date

### For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration Number:- 101248W/W-100022

### For and on behalf of the Board of Directors of Siemens Limited

#### Deepak S. Parekh

Chairman  
DIN: 00009078

#### Sunil Mathur

Managing Director  
and Chief Executive  
Officer  
DIN: 02261944

#### Daniel Spindler

Executive Director  
and Chief Financial  
Officer  
DIN: 08533833

#### Farhad Bamji

Partner

Membership No: 105234

#### Mehernosh B. Kapadia

Director and Chairman of  
Audit Committee  
DIN: 00046612

#### Ketan Thaker

Company Secretary  
ACS No. 16250

Mumbai

Date: 24 November 2021

Mumbai

Date: 24 November 2021

# Cash Flow Statement

## for the year ended 30 September 2021

(Currency: Indian rupees millions)

	Notes	Sept 2021	Sept 2020
<b><u>Cash flow from operating activities</u></b>			
Profit before tax from continuing operations		14,306	10,206
Profit / (Loss) before tax from discontinued operations		859	(13)
<b>Adjustments for:</b>			
Finance costs	37	196	292
Bad debts	38	58	148
Provision for doubtful debts / advances, net	38	(246)	324
Depreciation and amortisation expense	3, 4, 5 & 43	2,282	2,504
(Profit) / loss on sale of assets, net	34	(21)	(2)
Profit on sale of Mechanical Drives (MD) business		(487)	-
Liabilities written back	33	(125)	(135)
Unrealised exchange loss / (gain), net		140	724
Interest income	34	(1,993)	(2,915)
<b>Operating profit before working capital changes</b>		<b>14,969</b>	<b>11,133</b>
<b>Working capital adjustments</b>			
(Increase) / decrease in inventories		(4,869)	(114)
(Increase) / decrease in trade and other receivables		(1,455)	994
Increase / (decrease) in trade payables and other liabilities		7,242	(2,150)
Increase / (decrease) in provisions		901	(156)
<b>Net change in working capital</b>		<b>1,819</b>	<b>(1,426)</b>
<b>Cash generated from operations</b>		<b>16,788</b>	<b>9,707</b>
Direct taxes paid, net		(3,450)	(2,942)
<b>Net cash generated from operating activities</b>		<b>13,338</b>	<b>6,765</b>
<b><u>Cash flow from investing activities</u></b>			
Purchase of property, plant and equipments and investment property		(1,097)	(172)
Proceeds from sale of property, plant and equipments and investment property		103	74
Proceeds from sale of Mechanical Drives (MD) business		3,759	-
Investment in subsidiary (C&S Electric Ltd.)	55	(19,588)	-
Interest received		2,043	3,057
Inter corporate deposits given		(4,720)	(7,752)
Refund of inter corporate deposits given		4,340	8,482
Deposits (with original maturity of more than 3 months) with banks matured / (placed)		(9,911)	4,600
<b>Net cash generated / (used) from investing activities</b>		<b>(25,071)</b>	<b>8,289</b>

# Cash Flow Statement for the year ended 30 September 2021 (*Continued*) (Currency: Indian rupees millions)

	Notes	Sept 2021	Sept 2020
<b><u>Cash flow from financing activities</u></b>			
Interest paid		(98)	(128)
Payment of principal of lease liabilities		(517)	(540)
Payment of interest of lease liabilities		(122)	(174)
Dividend paid (including tax thereon)		(2,493)	(3,005)
Proceeds from short-term borrowings		25	-
<b>Net cash used in financing activities</b>		<b>(3,205)</b>	<b>(3,847)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>(14,938)</b>	11,207
<b>Cash and cash equivalents at beginning of the year</b>		<b>18,311</b>	7,101
<b>Effect of exchange gain / (loss) on cash and cash equivalents</b>		<b>(1)</b>	3
<b>Cash and cash equivalents at the end of the year</b>	15	<b>3,372</b>	18,311
<b>Cash and cash equivalents at the end of the year includes:</b>			
Balances with banks		3,257	17,830
Cash on hand		1	*
Cheques / drafts on hand		114	481
		<b>3,372</b>	<b>18,311</b>

## Changes in liabilities arising from financing activities:

The changes in liabilities arising from financing activities is on account of cash flow changes only and there are no non-cash changes.

\* denotes figures less than a million

The above Cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 - Statement of Cash Flows.

## Significant accounting policies

1

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

**For B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number:- 101248W/W-100022

**For and on behalf of the Board of Directors of Siemens Limited**

**Deepak S. Parekh**

Chairman  
DIN: 00009078

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DIN: 02261944

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**Farhad Bamji**

Partner  
Membership No: 105234

**Mehernosh B. Kapadia**

Director and Chairman of  
Audit Committee  
DIN: 00046612

**Ketan Thaker**

Company Secretary  
ACS No. 16250

Mumbai

Date: 24 November 2021

Mumbai

Date: 24 November 2021

# Statement of Changes in Equity as at 30 September 2021 (Currency: Indian rupees millions)

## A Equity share capital

Particulars	Amount
As at 30 September 2019	712
Changes in equity share capital	-
As at 30 September 2020	712
Changes in equity share capital	-
<b>As at 30 September 2021</b>	<b>712</b>

## B Other equity

Particulars	Capital reserve	Securities premium	Amalgamation reserve	Capital redemption reserve	General reserve	Retained earnings	Other comprehensive income	Total
							Cash flow hedging reserve	
<b>Balance as at 30 September 2019</b>	538	1,567	56	*	31,503	56,030	17	89,724
Impact of IND AS 116	-	-	-	-	-	(72)	-	(72)
<b>Restated balance as at 1 October 2019</b>	538	1,567	56	*	31,503	55,958	17	89,652
Profit for the year	-	-	-	-	-	7,565	(17)	7,548
Other comprehensive income (net of tax)	-	-	-	-	-	(278)	111	(167)
Total comprehensive income for the year	-	-	-	-	-	7,287	94	7,381
Dividend paid	-	-	-	-	-	(2,493)	-	(2,493)
Tax on dividend paid	-	-	-	-	-	(512)	-	(512)
<b>Balance as at 30 September 2020</b>	538	1,567	56	*	31,503	60,240	111	94,028
Profit for the year	-	-	-	-	-	11,030	(111)	10,919
Other comprehensive income (net of tax)	-	-	-	-	-	275	(4)	271
Total comprehensive income for the year	-	-	-	-	-	11,305	(115)	11,190
Dividend paid	-	-	-	-	-	(2,493)	-	(2,493)
<b>Balance as at 30 September 2021</b>	538	1,567	56	*	31,503	69,052	(4)	102,725

\* denotes figures less than a million

\*\* Transferred to exchange loss / (gains) in Statement of Profit & Loss

## Significant accounting policies

1

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

**For B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number:- 101248W/W-100022

**For and on behalf of the Board of Directors of Siemens Limited**

**Deepak S. Parekh**  
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Partner

Membership No: 105234

Mumbai

Date: 24 November 2021

**Mehernosh B. Kapadia**  
Director and Chairman of  
Audit Committee  
DIN: 00046612

Mumbai

Date: 24 November 2021

**Ketan Thaker**

Company Secretary  
ACS No. 16250

# Notes to the financial statements for the year ended 30 September 2021 (Currency: Indian rupees millions)

## **Corporate information**

Siemens Limited ("The Company") is a public company domiciled in India with its registered office at Birla Aurora, Level 21, Plot No. 1080 Dr. Annie Besant Road, Worli Mumbai – 400 030. The Company is listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

The Company offers products, integrated solutions for industrial applications for manufacturing industries, drives for process industries, intelligent infrastructure and buildings, efficient and clean power generation from fossil fuels and oil & gas applications, transmission and distribution of electrical energy for passenger and freight transportation, including rail vehicles, rail automation and rail electrification systems.

## **1. Significant accounting policies**

### **1.1 Basis of preparation of financial statements**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Companies Act.

The financial statements have been prepared and presented under the historical cost convention, except for derivative instruments, defined benefit plans and certain other financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The accounting policies adopted in the preparation of financial statements are consistent for all the periods presented except for the following:

The financial statements are presented in INR, which is the functional currency and all values are rounded to the nearest million (INR 1,000,000), except when otherwise indicated.

The financial statements were authorised for issue in accordance with a resolution of Board of directors on 24 November 2021.

### **1.2 Current versus non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle. Based on the nature of business and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### **1.3 Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost includes taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future economic benefits from the existing assets beyond its previously assessed standard of performance.

Depreciation on property, plant and equipment is provided on a straight-line basis over the useful lives of assets estimated by the management, taking into account the nature of the asset on technical evaluation of the useful life, which may not necessarily be in alignment with the indicative useful lives prescribed by Schedule II to the Companies Act, 2013. The following useful lives are considered:

# Notes to the Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## 1.3 *Property, plant and equipment (Continued)*

Assets	Estimated useful lives
<b>Buildings</b>	
- Factory buildings	30 years
- Other buildings	50 years
- Roads	10 years
- Leasehold improvements	Over the lease period
<b>Plant and equipment</b>	3 – 20 years
<b>Furniture and fixtures</b>	5 years
<b>Office equipments</b>	
- Computers	3 years
- Hardware, mainframes and servers	5 years
- Other office equipments	3 - 5 years
<b>Vehicles</b>	4 years

If significant parts of property, plant and equipment have different useful lives, then they are accounted as separate items (major components) of property, plant and equipment.

Items of property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their carrying value and estimated net realizable value and are disclosed separately in the financial statements. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and loss.

Capital work-in-progress includes the cost of property, plant and equipment that are not ready for intended use at the Balance Sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under "Other Non-Current Assets".

## 1.4 *Intangible assets*

Intangible assets comprises of software and technical know-how. Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. These intangible assets are amortised on a straight-line basis based on the following useful lives, which in management's estimate represents the period during which economic benefits will be derived from their use:

Assets	Estimated useful lives
Software	3 - 5 years
Technical know-how	5 - 10 years

## 1.5 *Investment property*

Investments in land or buildings (including property under construction) which are held to earn rentals and/or for capital appreciation are classified as investment property. Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price and borrowing costs, if capitalisation criteria are met and directly attributable cost of bringing the investment property to its working condition for the intended use.

Depreciation on investment property is provided on a straight-line basis over the useful lives of assets estimated by the management. Such classes of investment properties and their estimated useful lives are as under:

### 1.5 Investment property (Continued)

Assets	Estimated useful lives
Land	
- Freehold land	-
Factory Buildings	30 years

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. On disposal of an investment property, the difference between its carrying amount and net disposal proceeds is recognised in the Statement of Profit and Loss.

### 1.6 Revenue recognition

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is stated exclusive of Goods and Services Tax and net of trade and quantity discount.

Revenue from sale of products is recognised on transfer of control of products to the customers, which is usually on dispatch of goods.

When the outcome of a construction contract can be estimated reliably, revenue from construction contracts are recognised under the percentage-of-completion method, based on the percentage of costs incurred to date compared to the total estimated contract costs. An expected loss on the construction contract is recognised as an expense immediately. Contract revenue earned in excess of billing has been reflected as "Contract assets" and billing in excess of contract revenue has been reflected under "Contract liabilities" in the balance sheet.

Revenue from services represents service income other than from services which are incidental to sale of products and projects. Revenue from services is recognised as per the terms of the contract with the customer using the proportionate completion method. Revenue from services rendered over a period of time, such as annual maintenance contracts, are recognised on straight line basis over the period of the performance obligation.

Commission income is recognised as and when the terms of the contract are fulfilled along with the proof of shipment is received from the supplier.

Export incentives receivable are accrued for, when the right to receive the credit is established and there is no significant uncertainty regarding the realisability of the incentive.

Rental income arising from operating leases is accounted on a straight-line basis over the lease terms and is included in revenue in the Statement of Profit and Loss due to its operating nature.

### 1.7 Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials, work-in-progress, finished goods and traded goods are carried at the lower of cost and net realisable value. Cost is determined on the basis of the weighted average method.

The net realisable value of work-in-progress is determined with reference to the estimated selling price less estimated cost of completion and estimated costs necessary to make the sale of related finished goods. Raw materials held for the production of finished goods are not written down below cost except in case where material prices have declined and it is estimated that the cost of the finished product will exceed its net realisable value.

### 1.8 Ind AS 116 - Leases

The Company has adopted Ind AS 116 Leases effective 1 October 2019, using the modified retrospective method.

The Company's lease asset classes primarily consist of leases for Land and Buildings, vehicles and technical equipment's. The Company assesses whether a contract is (or contains) a lease, at inception of a contract. A contract is (or contains), a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset



# Notes to the Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## 1.8 *Ind AS 116 - Leases (Continued)*

### Where the Company is the lessee:

At the date of commencement of the lease, the Company recognises a Right-of-Use asset ("ROU") and a corresponding Lease Liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less Accumulated depreciation and impairment losses, if any. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The Lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and Lease payments have been classified as financing cash flows.

### Where the Company is the lessor

Assets subject to operating leases are included in property, plant and equipment and investment property. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

## 1.9 *Employee benefits*

### (a) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and short-term compensated absences, etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service.

### (b) Post-employment and other long-term benefits

(i) **Defined Contribution Plans:** The Company's approved superannuation scheme and employee state insurance scheme are defined contribution plans. The Company's contribution payable under the schemes is recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

(ii) **Defined Benefit Plans and other Long Term Benefits:** The Company's gratuity, pension, medical benefit and retirement gift schemes are defined benefit plans. Leave wages, retention bonus, silver jubilee and star awards are other long term benefits. The present value of the obligation under such defined benefit plans and other long term benefits are determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

Provident fund has been considered as a defined benefit plan since any additional obligations on account of investment risk and interest rate risk are required to be met by the Company.

In case of defined benefit plans, remeasurement comprising of actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (wherever applicable) is recognised in other comprehensive income (OCI) and is reflected in retained earnings and is not eligible to be reclassified to profit or loss. In case of other long term benefits, all remeasurements including actuarial gain or loss are charged to Statement of Profit and Loss.

## 1.9 Employee benefits (Continued)

The Company recognises following items in the net defined benefit obligation as an expense in Statement of Profit and Loss:

- Service cost including current service cost, past service cost and gains and losses on curtailments and settlements; and
- Net interest expense or income.

Provision for leave wages, pension, medical benefit, retention bonus, silver jubilee and star awards which is expected to be utilized within the next 12 months is treated as short-term employee benefits and beyond 12 months as long term employee benefits. For the purpose of presentation, the allocation between short and long term provisions has been made as determined by an actuary.

The contribution to gratuity trust is expected to be made within next 12 months. Accordingly, the provision for gratuity is classified as current.

### 1.10. Share-based payments

Share-based payment consists of share awards of the Holding Company to the employees of the Company. These awards are predominantly designed as cash-settled transactions. The fair value of the amount payable is remeasured at the end of each reporting period upto the settlement date, with the changes in the fair value recognised as employee benefits expenses with a corresponding increase in liabilities.

### 1.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial assets

##### Initial recognition and measurement

On initial recognition, financial assets are recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the below categories:

- (a) Financial assets at amortised cost
- (b) Financial assets including derivatives at fair value through profit or loss (FVTPL)
- (c) Financial assets at fair value through other comprehensive income (FVTOCI)
- (d) Equity instruments

##### (a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business where the objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables, loans and other financial assets.

##### (b) Financial Assets including derivatives at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit and loss are immediately recognised in the Statement of Profit and Loss.

# Notes to the Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## 1.11 Financial instruments (*Continued*)

### (c) Financial Assets at fair value through other comprehensive income (FVTOCI)

Derivative instruments included in FVTOCI category are measured initially as well as at each reporting date at fair value. Movement in fair value is recognised in OCI.

### (d) Equity instruments

Equity investment in subsidiary is measured at cost.

### Derecognition

A financial asset is primarily derecognised when:

- (a) the right to receive cash flows from the asset has expired, or
- (b) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and a) the Company has transferred substantially all the risks and rewards of the asset, or b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in the Statement of Profit and Loss.

### Impairment of financial assets

The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment losses on the following financial assets and credit risk exposure:

- (a) Financial assets that are measured at amortised cost e.g. deposits
- (b) Trade receivables, contract assets or any another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows the simplified approach for recognition of impairment loss allowance on trade receivables (net of billing in excess) and contract assets. The application of the simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve-month ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months after the reporting date.

ECL is the difference between net of all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on trade receivables (net of billing in excess) and Contract assets.

### **1.11 Financial instruments (Continued)**

The Company does not have any purchased or originated credit-impaired financial assets, i.e., financial assets which are credit impaired on purchase/origination.

ECL impairment loss allowance (or reversal) recognised during the period is recognised in the Statement of Profit and Loss. This amount is reflected under the head 'Other expenses' in the Statement of Profit and Loss.

#### **Financial liabilities**

##### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss (FVTPL), payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

On initial recognition, financial liabilities are recognised at fair value. In case of financial liabilities which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition or issue of the financial liabilities.

The Company's financial liabilities include trade and other payables and derivative financial instruments.

##### **Subsequent measurement**

Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. All other financial liabilities such as deposits are measured at amortised cost using EIR method.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amount that approximates the fair value is used due to the short maturity of these instruments.

##### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

##### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **1.12 Foreign currency transactions**

The Company is exposed to currency fluctuations on foreign currency transactions. Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss of the year.

#### **Translation**

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss. Non monetary items are stated in the balance sheet using the exchange rate at the date of the transaction / date when fair value was determined.

#### **Derivative instruments and hedge accounting**

The Company's exposure to foreign currency fluctuations relates to foreign currency assets, liabilities and forecasted cash flows. The Company limits the effects of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives like forward contracts and options. The Company enters into forward exchange contracts and options, where the counterparty is a bank. The hedging strategy is used for mitigating the currency fluctuation risk and the Company does not use the forward exchange and options contracts for trading or speculative purpose.

# Notes to the Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## 1.12 Foreign currency transactions (*Continued*)

The forward exchange and options contracts are re-measured at fair value at each reporting date with the resultant gains/losses thereon being recorded in Statement of Profit and Loss, except that are designated as hedges.

Commodity risk is mitigated by entering into future contracts to hedge against fluctuation in commodity prices.

The Company designates some of the forward contracts in a cash flow hedging relationship by applying the hedge accounting principles.

These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated as hedges for future cash flows are recognised directly in OCI and reflected in the cash flow hedge reserve, net of applicable deferred income taxes. The ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts accumulated in cash flow hedge reserve are reclassified to profit and loss in the period during which the forecasted transaction materialises.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in cash flow hedge reserve is retained there until the forecasted transaction occurs.

If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in cash flow hedge reserve is immediately transferred to the Statement of Profit and Loss for the period.

## 1.13 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value includes discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result from general approximation of value and the same may differ from the actual realised value.

## 1.14 Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effect of temporary differences between accounting income and taxable income for the year) computed in accordance with the relevant provisions of the Income Tax Act, 1961. Current tax and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in OCI or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

The current tax payable is based on taxable profit for the year. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant taxpaying units intend to settle the asset and liability on a net basis.

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

#### **1.14 Taxation (Continued)**

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against those deductible temporary differences and can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down to the extent it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

#### **1.15 Earnings per share**

Basic earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### **1.16 Provisions and contingencies**

Provisions are recognised when the Company recognises it has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are recognised at present value by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money. When a contract becomes onerous, the present obligation under the contract is recognised as a provision. These are reviewed at each balance sheet date and adjusted to reflect current best estimates.

Disclosures for contingent liability are made when there is a possible and present obligation that arises from past events which is not recognised since it is not probable that there will be an outflow of resources. When there is a possible and present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Provisions for warranty related cost are recognised when the product is sold or service is provided to the customer. Initial recognition is based on past experience.

Contingent assets are not recognised in the financial statements.

#### **1.17 Cash and Cash equivalents**

Cash and cash equivalents include cash, cheques in hand, cash at bank and deposits with banks having maturity of three months or less. Bank deposits with original maturity of up to three months are classified as 'Cash and cash equivalents' and with original maturity of more than three months are classified as 'Other bank balances'.

#### **1.18 Government grants and subsidies**

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grants or subsidies relate to revenue, they are recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs for which they are intended to compensate. Where the grants or subsidies relate to an asset, the same are presented in the balance sheet by deducting the grant in arriving at the carrying amount of the asset.

#### **1.19 Non-current assets held for sale and discontinued operations**

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell.

Property, plant and equipment and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortised.

# Notes to the Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## **1.19 Non-current assets held for sale and discontinued operations (*Continued*)**

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and represents a separate major line of business or geographical area of operations and is part of a single co-ordinated plan to dispose of such a line of business or area of operations.

The results of discontinued operations are presented separately in the Statement of Profit and Loss.

## **2. Significant accounting judgments, estimates and assumptions**

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively.

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### **2.1 Project revenue and costs**

The percentage-of-completion (POC) method places considerable importance on accurate estimates to the extent of progress towards completion and may involve estimates on the scope of deliveries and services required for fulfilling the contractually defined obligations. These significant estimates include total contract costs, total contract revenues, contract risks, including technical, political and regulatory risks, and other judgments. The Company re-assesses these estimates on periodic basis and makes appropriate revisions accordingly.

### **2.2 Taxes**

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

### **2.3 Property, plant and equipment and intangible assets**

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

### **2.4 Leases**

The Company use estimates and judgements in identification of leases, identification of non-lease component of lease, lease term assessment considering termination and renewal option and the discounting rate used.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

### **2.5 Impairment of non-financial assets**

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or cash generating unit.

## **2. Significant accounting judgments, estimates and assumptions (Continued)**

### **2.5 Impairment of non-financial assets (Continued)**

The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost, had no impairment been recognised.

### **2.6 Employee benefits**

The Company's obligation for employee benefits is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Refer note 46 for details of the key assumptions used in determining the accounting of these plans.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the Actuary considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

### **2.7 Impairment of financial assets**

The Company assesses impairment on financial assets based on Expected Credit Loss (ECL) model. The provision matrix is based on its historically observed default rates over the expected life of the financial assets and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward looking estimates are analysed.

### **2.8 Provisions**

Significant estimates are involved in the determination of provisions related to liquidated damages, onerous contracts, warranty costs, asset retirement obligations, legal and regulatory proceedings (Legal Proceedings). The Company records a provision for onerous sales contracts when current estimates of total contract costs exceed expected contract revenue. The provision for warranty, liquidated damages and onerous contracts is based on the best estimate required to settle the present obligation at the end of reporting period.

Legal Proceedings often involve complex legal issues and are subject to substantial uncertainties. Accordingly, considerable judgment is part of determining whether it is probable that there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a Legal Proceeding will result in an outflow of resources and whether the amount of the obligation can be reliably estimated. Internal and external counsels are generally part of the determination process.

All the estimates are revised periodically.

#### **Standard issued that are not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. MCA issued notifications dated 24 March 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1 October 2021.



Notes to the financial statements (Continued)  
as at 30 September 2021  
(Currency: Indian rupees millions)

3 Property, plant and equipment

	Freehold Land	Leasehold Land	Buildings (Refer note i & ii)	Plant and equipment (Refer note ii)	Furniture and fixtures (Refer note ii)	Office equipments (Refer note ii)	Vehicles	Total
<b>Gross carrying value</b>								
At 1 October 2019	560	126	5,757	11,894	315	941	1	19,594
Additions	-	-	26	916	13	448	1	1,404
Deductions / adjustments**	(56)	(126)	*	(21)	*	(157)	*	(360)
Transferred due to sale of Mechanical Drives business	(31)	-	(464)	(1,584)	(17)	(34)	-	(2,130)
<b>At 30 September 2020</b>	<b>473</b>	<b>-</b>	<b>5,319</b>	<b>11,205</b>	<b>311</b>	<b>1,198</b>	<b>2</b>	<b>18,508</b>
<b>Accumulated depreciation / impairment</b>								
At 1 October 2019	-	9	941	5,912	223	620	1	7,706
Charge for the year	-	-	246	1,320	45	165	*	1,776
Charge for the period - discontinued operations (refer note 54)	-	-	16	177	1	6	*	200
Deductions / adjustments**	-	(9)	*	(13)	*	(94)	*	(116)
Transferred due to sale of Mechanical Drives business	-	-	(81)	(724)	(15)	(21)	-	(841)
<b>At 30 September 2020</b>	<b>-</b>	<b>-</b>	<b>1,122</b>	<b>6,672</b>	<b>254</b>	<b>676</b>	<b>1</b>	<b>8,725</b>
<b>Net block</b>								
<b>At 30 September 2020</b>	<b>473</b>	<b>-</b>	<b>4,197</b>	<b>4,533</b>	<b>57</b>	<b>522</b>	<b>1</b>	<b>9,783</b>

\* denotes figures less than a million

\*\* includes transfer to Right of Use assets - Freehold Land ₹ 51 and Leasehold Land ₹ 117

3 Property, plant and equipment (Continued)

	Freehold Land	Leasehold Land	Buildings (Refer note i & ii)	Plant and equipment (Refer note ii)	Furniture and fixtures (Refer note ii)	Office equipments (Refer note ii)	Vehicles	Total
<b>Gross carrying value</b>								
At 1 October 2020	473	-	5,319	11,205	311	1,198	2	18,508
Additions	-	-	240	1,080	32	84	-	1,436
Deductions / adjustments	-	-	(62)	(274)	(33)	(2)	(1)	(372)
Transferred to investment property	(101)	-	(1,013)	-	-	-	-	(1,114)
<b>At 30 September 2021</b>	<b>372</b>	<b>-</b>	<b>4,484</b>	<b>12,011</b>	<b>310</b>	<b>1,280</b>	<b>1</b>	<b>18,458</b>
<b>Accumulated depreciation / impairment</b>								
At 1 October 2020	-	-	1,122	6,672	254	676	1	8,725
Charge for the year	-	-	263	1,214	37	160	*	1,674
Deductions / adjustments	-	-	(61)	(196)	(32)	*	(1)	(290)
Transferred to investment property	-	-	(121)	-	-	-	-	(121)
<b>At 30 September 2021</b>	<b>-</b>	<b>-</b>	<b>1,203</b>	<b>7,690</b>	<b>259</b>	<b>836</b>	<b>*</b>	<b>9,988</b>
<b>Net block</b>								
<b>At 30 September 2021</b>	<b>372</b>	<b>-</b>	<b>3,281</b>	<b>4,321</b>	<b>51</b>	<b>444</b>	<b>1</b>	<b>8,470</b>

**Notes:**

i) Buildings includes gross block of ₹ 10 (2020: ₹ 734) representing 10 shares of ₹ 50 each and 10 shares of ₹ 100 each (2020: 365 shares of ₹ 50 each and 11 shares of ₹ 100 each) in various co-operative housing societies respectively.

ii) **Assets include assets given on operating lease**

Particulars	Buildings	Plant and equipments	Furniture and fixtures	Office equipments
Gross carrying value as at 30 September 2020	657	66	20	17
Written Down Value as at 30 September 2020	543	31	*	9
Depreciation charge for the year	22	6	*	5
Gross carrying value as at 30 September 2021	95	48	14	7
Written Down Value as at 30 September 2021	46	20	*	5
Depreciation charge for the year	6	4	*	3

\* denotes figures less than a million

Notes to the Financial Statements *(Continued)*  
as at 30 September 2021  
(Currency: Indian rupees millions)

4 Investment Property

	Land and Buildings	Total
<b>Gross carrying value</b>		
At 1 October 2019	2	2
Additions	-	-
Deductions / adjustments	-	-
<b>At 30 September 2020</b>	<b>2</b>	<b>2</b>
<b>Accumulated depreciation</b>		
At 1 October 2019	1	1
Charge for the year	*	*
Deductions / adjustments	-	-
<b>At 30 September 2020</b>	<b>1</b>	<b>1</b>
<b>Net block</b>		
<b>At 30 September 2020</b>	<b>1</b>	<b>1</b>

	Land and Buildings	Total
<b>Gross carrying value</b>		
At 1 October 2020	2	2
Additions	-	-
Deductions / adjustments	-	-
Transferred from Property, plant and equipment	1,114	1,114
<b>At 30 September 2021</b>	<b>1,116</b>	<b>1,116</b>
<b>Accumulated depreciation</b>		
At 1 October 2020	1	1
Charge for the year	22	22
Deductions / adjustments	-	-
Transferred from Property, plant and equipment	121	121
<b>At 30 September 2021</b>	<b>144</b>	<b>144</b>
<b>Net block</b>		
<b>At 30 September 2021</b>	<b>972</b>	<b>972</b>

Notes:

<b>i) Information regarding income and expenditure on investment properties</b>	<b>Sept 2021</b>	<b>Sept 2020</b>
Rental income derived from investment properties	22	-
Direct operating expenses (including repairs and maintenance) generating rental income	(10)	-
Profit/(Loss) arising from investment properties before depreciation and indirect expenses	12	-
Less: Depreciation	(9)	-
<b>Profit /(Loss) arising from investment properties before indirect expenses</b>	<b>3</b>	<b>-</b>
Operating expenses (including depreciation) arising from Investment properties not generating rental income	(44)	(1)

\* denotes figures less than a million

#### 4 Investment Property (Continued)

##### ii) Fair value disclosure

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation technique	Fair Value	
		Sept 2021	Sept 2020
Land and building	Stamp duty reckoner rate/ Valuation Report	3,937	482

The valuation of investment properties is in accordance with the Ready Reckoner rates prescribed for the purpose of levying stamp duty. The Company has referred to the publications and government website for Ready Reckoner rates. Further, the fair value of certain investment property has been determined with the help of Independent valuer.

#### 5 Other Intangible assets

	Intangible assets		
	Technical know-how	Software	Total
<b>Gross carrying value</b>			
At 1 October 2019	66	40	106
Additions	-	11	11
Deductions / adjustments	-	(6)	(6)
Transferred due to sale of Mechanical Drives business	(23)	(15)	(38)
<b>At 30 September 2020</b>	<b>43</b>	<b>30</b>	<b>73</b>
<b>Accumulated depreciation / impairment</b>			
At 1 October 2019	61	30	91
Charge for the year	4	4	8
Charge for the year - discontinued operations	-	2	2
Deductions / adjustments	-	(6)	(6)
Transferred due to sale of Mechanical Drives business	(22)	(7)	(29)
<b>At 30 September 2020</b>	<b>43</b>	<b>23</b>	<b>66</b>
<b>Net block</b>			
<b>At 30 September 2020</b>	<b>*</b>	<b>7</b>	<b>7</b>

	Intangible assets		
	Technical know-how	Software	Total
<b>Gross carrying value</b>			
At 1 October 2020	43	30	73
Additions	-	*	-
Deductions / adjustments	-	*	-
<b>At 30 September 2021</b>	<b>43</b>	<b>30</b>	<b>73</b>
<b>Accumulated depreciation / impairment</b>			
At 1 October 2020	43	23	66
Charge for the year	-	3	3
Deductions / adjustments	-	*	-
<b>At 30 September 2021</b>	<b>43</b>	<b>26</b>	<b>69</b>
<b>Net block</b>			
<b>At 30 September 2021</b>	<b>*</b>	<b>4</b>	<b>4</b>

\* denotes figures less than a million

Notes to the Financial Statements (*Continued*)  
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	Sept 2021	Sept 2020
<b>6 Investments - Non - current</b>		
<b>Investment in subsidiary company (unquoted) (investment valued at cost unless otherwise stated)</b>		
64,898 (2020 : 64,898) Equity Shares of ₹ 10 each fully paid-up in Siemens Rail Automation Pvt. Ltd.	550	550
43,924,114 Equity Shares of ₹ 10 each fully paid-up in C&S Electric Ltd. (refer note 55)	<u>21,570</u>	<u>-</u>
Aggregate amount of unquoted investments	<u>22,120</u>	<u>550</u>
<b>7 Trade receivables - Non - current (unsecured)</b>		
Long-term trade receivables		
- considered good	908	824
- considered doubtful	<u>6</u>	<u>6</u>
	914	830
Impairment allowance	<u>(6)</u>	<u>(6)</u>
	<u>908</u>	<u>824</u>
<b>8 Loans - Non - current (unsecured, considered good)</b>		
Loan to employees	5	10
Loan to related parties (Refer note 45 and below)	<u>2,120</u>	<u>5,050</u>
	<u>2,125</u>	<u>5,060</u>
Loans to related parties are given for the purpose of meeting their working capital requirements and for general corporate purposes.		
<b>9 Other financial assets - Non - current</b>		
<b>i) Financial assets at amortised cost</b>		
Security deposits	465	410
Bank balances with original maturity of more than 12 months	2,000	-
<b>ii) Financial assets at fair value through Profit or Loss</b>		
Derivative contracts	<u>53</u>	<u>36</u>
	<u>2,518</u>	<u>446</u>
<b>10 Income tax disclosure</b>		
<b>(a) Income tax expense</b>		
<b>Current tax:</b>		
Current Income tax charge from continuing operations	3,662	2,668
Current Income tax charge from discontinued operations	52	-
Adjustments in respect of prior years - True up	3	-
<b>Deferred tax</b>		
In respect of current year origination and reversal of temporary differences	14	(36)
Deferred Income Tax on discontinuing operations	94	-
Deferred tax assets not recoverable	<u>310</u>	<u>-</u>
<b>Total tax expense recognised in Statement of Profit and Loss</b>	<u>4,135</u>	<u>2,632</u>

10. Income tax disclosure (Continued)	Sept 2021	Sept 2020
<b>(b) Income Tax on Other Comprehensive Income</b>		
Remeasurements of defined benefit plans	93	(93)
Fair value changes on derivative designated as cash flow hedge reserve	<u>(1)</u>	<u>38</u>
<b>Total tax expense recognised in Other Comprehensive Income</b>	<u><u>92</u></u>	<u><u>(55)</u></u>
<b>(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 30 September 2021 and 30 September 2020</b>		
Profit before tax from continuing operations	14,306	10,206
Profit / (Loss) before tax from discontinued operations	859	(13)
Other Comprehensive items	<u>363</u>	<u>(222)</u>
<b>Total</b>	<u><u>15,528</u></u>	<u><u>9,971</u></u>
<b>Tax at statutory average income tax rate of 25.17% (2020 : 25.17%) (A)</b>	<u>3,909</u>	<u>2,510</u>
Tax effect of expenses that are not deductible for tax purposes	72	63
Tax effect of Capital gain & tax paid at lower rate	<u>(64)</u>	<u>-</u>
Deferred tax assets not recoverable	<u>310</u>	<u>-</u>
<b>Total (B)</b>	<u><u>318</u></u>	<u><u>63</u></u>
<b>At the effective income tax rate of 27.22% (2020: 25.81%) (A+B)</b>	<u><u>4,227</u></u>	<u><u>2,573</u></u>
Income tax reported in statement of profit and loss from continuing operations	3,679	2,632
Income tax attributable to discontinued operations	456	(4)
Income tax expense of Other Comprehensive Income	<u>92</u>	<u>(55)</u>
<b>Total</b>	<u><u>4,227</u></u>	<u><u>2,573</u></u>

**(d) Movement of Deferred tax**

	Balance Sheet		Profit & Loss	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020
<b>Deferred tax assets</b>				
Arising on account of temporary differences in :				
Provision for doubtful debts and advances	507	631	(124)	64
Provision for loss allowance	200	235	(35)	(38)
Provisions made disallowed and allowed only on payment basis	911	1,065	(154)	(34)
Provision for inventory allowance	637	882	(245)	258
Other temporary differences	187	140	47	(222)
<b>Less - Deferred tax liability</b>				
Arising on account of temporary differences in :				
Accelerated Depreciation for tax purposes	<u>(421)</u>	<u>(516)</u>	<u>95</u>	<u>105</u>
<b>Deferred tax assets (net)</b>	<u>2,021</u>	<u>2,437</u>	<u>(416)</u>	<u>133</u>
Deferred tax recognised directly in Other Comprehensive Income	38	44	(6)	(86)
<b>Total Deferred tax as shown in Balance sheet and Profit and Loss</b>	<u><u>2,059</u></u>	<u><u>2,481</u></u>	<u><u>(422)</u></u>	<u><u>47</u></u>

Notes to the Financial Statements *(Continued)*  
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10 Income tax disclosure (Continued)

	Sept 2021	Sept 2020
<b>(e) Reconciliation of deferred tax assets, net</b>		
Opening balance	2,481	2,410
Tax income/(expense) during the year recognised in profit or loss from continuing operations	(12)	36
Tax income/(expense) during the year recognised in profit or loss from discontinued operations	(404)	97
Tax income/(expense) during the year recognised in Other Comprehensive Income	(6)	(86)
Tax income/(expense) during the year recognised in Retained Earnings	-	24
<b>Deferred tax assets (net)</b>	<u>2,059</u>	<u>2,481</u>

11 Income tax assets (net)

Advance payments of income tax [net of provision for tax ₹ 56,032 (2020: ₹ 54,060) including payments made under protest of ₹ 6,171 (2020: ₹ 6,011)]	<u>6,522</u>	<u>6,608</u>
	<u>6,522</u>	<u>6,608</u>

12 Other non-current assets

Capital advances	100	59
Balances with statutory / government authorities [includes payments made under protest of ₹ 1,528 (2020: ₹ 1,700)]	2,791	2,966
Prepaid lease	-	*
	<u>2,891</u>	<u>3,025</u>

13 Inventories (valued at lower of cost and net realisable value)

Raw materials [includes Goods in Transit ₹ 369 (2020 : ₹ 260)]	5,038	3,376
Work-in-progress	4,821	3,594
Finished goods	2,616	1,364
Stock-in-trade [includes Goods in Transit ₹ 1,257 (2020 : ₹ 1,294)]	3,372	2,730
	<u>15,847</u>	<u>11,064</u>

Amount of write down of inventories to net realisable value and other provisions recognised in the Statement of Profit and Loss as an expense is ₹ 244 (2020 : ₹ 590)

14 Trade receivables - Current (unsecured)

Trade receivables	32,602	31,414
Receivables from related parties (refer note 45)	2,987	1,435
	<u>35,589</u>	<u>32,849</u>
Of which		
- considered good	34,352	31,239
- considered doubtful	456	427
- which have significant increase in credit risk	114	33
- credit impaired	667	1,150
	<u>35,589</u>	<u>32,849</u>
Impairment allowance	(1,237)	(1,610)
	<u>34,352</u>	<u>31,239</u>

i) Trade receivable does not consist any amounts due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member

ii) For credit risk disclosures, refer note 53B

iii) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days of credit period

\* denotes figures less than a million

	Sept 2021	Sept 2020
<b>15 Cash and cash equivalents (Refer note below)</b>		
<b><i>Balances with banks</i></b>		
- On current accounts	1,117	1,327
- Bank deposits with original maturity of less than 3 months	2,140	16,503
Cash on hand	1	*
Cheques / drafts on hand	114	481
	<u>3,372</u>	<u>18,311</u>
<b>16 Bank balances other than cash and cash equivalents</b>		
Bank deposits with remaining maturity of less than 12 months	45,031	37,121
Unpaid dividend account (refer note below)	85	85
	<u>45,116</u>	<u>37,206</u>
The balance in unpaid dividend account is used only for payment of dividend.		
<b>17 Loans - Current (unsecured, considered good)</b>		
Inter corporate deposits to related parties (refer note 45 and below)	5,960	2,650
Loan to employees	98	72
	<u>6,058</u>	<u>2,722</u>
Inter corporate deposits to related parties are given for the purpose of meeting their working capital requirements.		
<b>18 Other financial assets - Current</b>		
<b>i) Financial assets at amortised cost</b>		
Security deposits		
- considered good	223	260
- considered doubtful	31	32
	<u>254</u>	<u>292</u>
Impairment allowance	(31)	(32)
	<u>223</u>	<u>260</u>
Interest accrued on inter corporate deposits	50	60
Interest accrued on bank deposits	288	329
Export incentive / Government grant	455	863
Others	453	617
<b>ii) Financial assets at fair value through Profit or Loss</b>		
Derivative contracts	447	469
<b>iii) Financial assets at fair value through Other Comprehensive Income</b>		
Derivative contracts	57	150
	<u>1,973</u>	<u>2,748</u>

\* denotes figure less than a million



Notes to the Financial Statements (*Continued*)  
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	Sept 2021	Sept 2020
<b>19 Contract assets</b>		
- considered good	13,193	13,107
- considered doubtful	202	190
	<u>13,395</u>	<u>13,297</u>
Impairment allowance	(202)	(190)
	<u>13,193</u>	<u>13,107</u>
<b>20 Other current assets</b>		
Advance to suppliers	595	529
Prepaid expenses	298	53
Balances with statutory / government authorities, net	2,254	2,049
Others	196	178
	<u>3,343</u>	<u>2,809</u>
<b>21 Share capital</b>		
<b>Authorised</b>		
1,000,000,000 Equity shares of ₹ 2 each (2020: 1,000,000,000 Equity shares of ₹ 2 each)	2,000	2,000
	<u>2,000</u>	<u>2,000</u>
<b>Issued</b>		
356,983,950 Equity shares of ₹ 2 each (2020: 356,983,950 Equity shares of ₹ 2 each)	714	714
	<u>714</u>	<u>714</u>
<b>Subscribed and fully paid-up</b>		
356,120,255 Equity shares of ₹ 2 each fully paid-up (2020: 356,120,255 Equity shares of ₹ 2 each fully paid-up)	712	712
	<u>712</u>	<u>712</u>

**a) Shares held by Ultimate holding company, subsidiary and associates of Ultimate holding company:**

169,882,943 (2020: 169,882,943) Equity shares of ₹ 2 each, fully paid-up, are held by the Subsidiary of Ultimate Holding Company, Siemens International Holding B.V.

85,468,862 (2020: 85,468,862) Equity shares of ₹ 2 each, fully paid-up, are held by the Associate of Ultimate Holding Company, Siemens Gas and Power Holding B.V.

11,738,108 (2020: 11,738,108) Equity shares of ₹ 2 each, fully paid-up, are held by Siemens Metals Technologies Vermögensverwaltungs GmbH (formerly known as Siemens VAI Metals Technologies GmbH), Subsidiary of Ultimate Holding Company.

**b) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:**

	2021		2020	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	356,120,255	712	356,120,255	712
Shares issued / subscribed during the year	-	-	-	-
Shares outstanding at the end of the year	<u>356,120,255</u>	<u>712</u>	<u>356,120,255</u>	<u>712</u>

c) **Details of shareholders holding more than 5% shares in the Company as on 30 September:**

Name of shareholder	2021		2020	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Siemens International Holding B.V. (w.e.f. 23.06.2020)	169,882,943	47.70%	169,882,943	47.70%
Siemens Gas and Power Holding B.V. (w.e.f. 19.05.2020)	85,468,862	24.00%	85,468,862	24.00%
Life Insurance Corporation of India	23,263,760	6.53%	24,921,663	7.00%

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d) **Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts (if any). The distribution will be in proportion to the number of equity shares held by the shareholders.

**22 Other equity**

**Nature and purpose of reserve**

- Capital reserve was created on account of merger of group companies in earlier years.
- Amalgamation reserve pertains to amalgamation of Siemens VDO Automotive Limited in 2006.
- Capital redemption reserve pertains to entity accounted as business combination under common control.
- Securities premium account represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.
- General reserve is created out of profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up shares. As General reserve is created by transfer on one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be subsequently reclassified to statement of profit and loss.
- Cash flow hedge reserve represents mark-to-market valuation of effective hedges as required by Ind AS 109.
- Retained earnings are the profits that the Company has earned till date, less any transfers to General reserve and payment of dividend.

The above reserves will be utilised in accordance with the provision of the Companies Act, 2013.

	Sept 2021	Sept 2020
<b>23 Dividend distribution made and proposed</b>		
<b>Cash dividend on equity shares declared and paid:</b>		
Final dividend for the year ended 2020: ₹ 7 per share (2019: ₹ 7 per share)	2,493	2,493
Dividend distribution tax on final dividend	-	512
	<u>2,493</u>	<u>3,005</u>
<b>Proposed dividend on equity shares:</b>		
Final cash dividend for the year ended 2021: ₹ 8 per share (2020: ₹ 7 per share)	2,849	2,493
	<u>2,849</u>	<u>2,493</u>

Notes to the Financial Statements (*Continued*)  
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	Sept 2021	Sept 2020
<b>24 Other financial liabilities - Non - current</b>		
<b>i) Financial liabilities at amortised cost</b>		
Holdback consideration (refer note 55)	2,000	-
<b>ii) Financial liabilities at fair value through Profit or Loss</b>		
Derivative contracts	76	29
Liabilities related to share based payments (refer note 49)	660	387
	<u>2,736</u>	<u>416</u>
<b>25 Long-term provisions</b>		
<b>a) Provision for employee benefits</b>		
- Pension (refer note 46)	246	226
- Leave wages	819	836
- Medical benefits (refer note 46)	1,669	1,689
- Silver jubilee and star awards	323	400
- Retirement gift (refer note 46)	85	107
- Retention Bonus	2	-
	<u>3,144</u>	<u>3,258</u>
<b>b) Others</b>		
- Other matters (refer note 41)	34	12
	<u>34</u>	<u>12</u>
	<u>3,178</u>	<u>3,270</u>
<b>26 Other non-current liabilities</b>		
Others	31	31
	<u>31</u>	<u>31</u>
<b>27 Borrowings - Current (Secured)</b>		
Loan repayable on demand from Bank	25	-
	<u>25</u>	<u>-</u>
	<u>25</u>	<u>-</u>
The above loan is repayable in 7 days and backed up by Global Letter of Support issued by Siemens AG, carrying interest of 6.9%.		
<b>28 Other financial liabilities - Current</b>		
<b>i) Financial liabilities at amortised cost</b>		
Security deposits	97	101
Unclaimed dividend	85	86
Liability for capital goods	77	58
Others (includes employee related liabilities)	2,871	1,813
<b>ii) Financial liabilities at fair value through Profit or Loss</b>		
Derivative contracts	515	315
Liabilities related to share based payments (refer note 49)	208	196
<b>iii) Financial liabilities at fair value through Other Comprehensive Income</b>		
Derivative contracts	75	15
	<u>3,928</u>	<u>2,584</u>

	Sept 2021	Sept 2020
<b>29 Contract liabilities</b>		
Advances from customers	8,380	8,048
Billing in excess / advance billings	4,071	5,605
	<u>12,451</u>	<u>13,653</u>
<b>30 Other current liabilities</b>		
Accrued salaries and benefits	484	426
Interest accrued and due	126	149
Other liabilities		
- Withholding and other taxes payable (includes PF, ESIC, PT)	348	345
- Others	301	297
	<u>1,259</u>	<u>1,217</u>
<b>31 Short-term provisions</b>		
<b>a) Provision for employee benefits</b>		
- Pension (refer note 46)	35	33
- Leave wages	103	27
- Medical benefits (refer note 46)	67	65
- Gratuity (refer note 46)	-	337
- Silver jubilee and star awards	41	38
- Retention Bonus	4	8
- Retirement gift (refer note 46)	2	1
	<u>252</u>	<u>509</u>
<b>b) Others</b>		
- Warranty (refer notes 41)	4,328	3,434
- Loss order (refer note 41)	1,080	1,067
- Liquidated damages (refer note 41)	1,164	743
- Other matters (refer note 41)	2,562	2,928
	<u>9,134</u>	<u>8,172</u>
	<u>9,386</u>	<u>8,681</u>
<b>32 Current Tax liabilities</b>		
Provision for tax [net of advance tax ₹ 13,089 (2020: ₹ 11,719)]	<u>398</u>	<u>130</u>

Notes to the Financial Statements (*Continued*)  
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	Sept 2021	Sept 2020
<b>33 Revenue from operations (gross)</b>		
<i>Revenue from contracts with customers</i>		
Sale of products	72,757	48,818
Revenue from projects	37,015	30,022
Sale of services	17,705	16,736
Commission income	82	232
	<u>127,559</u>	<u>95,808</u>
<i>Other operating revenue</i>		
Export incentives	143	761
Recoveries from group companies	1,293	1,504
Rental income	283	323
Liabilities written back	125	135
Others	228	163
	<u>2,072</u>	<u>2,886</u>
	<u>129,631</u>	<u>98,694</u>
<b>34 Other income</b>		
Interest income	1,993	2,915
Profit on sale of assets, net	21	2
Others	176	182
	<u>2,190</u>	<u>3,099</u>
<b>35 Project bought outs and other direct costs</b>		
Spares and stores consumed	273	124
Project bought outs	23,049	19,320
Other direct costs	4,077	3,310
	<u>27,399</u>	<u>22,754</u>
<b>36 Employee benefits expense</b>		
Salaries, wages and bonus, net	13,845	13,207
Contribution to provident and other funds	1,195	1,241
Share based payments to employees (refer note 49)	579	371
Staff welfare expenses	422	585
	<u>16,041</u>	<u>15,404</u>
<b>37 Finance costs</b>		
Interest - Others	74	118
Interest on lease liabilities	122	174
	<u>196</u>	<u>292</u>

	Sept 2021	Sept 2020
<b>38 Other expenses</b>		
Exchange loss / (gains), net *	(10)	231
Travel and conveyance	638	776
Software license fees and other information technology related costs	2,226	1,945
Rates and taxes	156	523
Communications	264	373
Packing and forwarding	1,886	966
Power and fuel	354	380
Insurance	401	378
Rent	225	275
Repairs		
- on building	176	103
- on machinery	762	517
- others	232	248
Legal and professional [includes auditors' remuneration (refer note 40)]	1,415	1,417
Advertising and publicity	10	148
Research and development expenditure	110	62
Bank guarantee commission / bank charges	262	305
Donation	1	-
Commission to directors	10	12
Directors' fees	3	4
Bad debts [net of reversal of provision for doubtful debts of ₹ 97 (2020: ₹ 194)]	58	148
CSR expenditure	272	279
Provision for doubtful debts and advances, net	(246)	324
License fees	927	555
Miscellaneous expenses	108	211
	<u>10,240</u>	<u>10,180</u>

\* Includes amount transferred from cash flow hedge reserve to exchange gains amounting to ₹ (111) [2020: ₹ (17)]

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	Sept 2021	Sept 2020
<b>39 Commitments and contingent liabilities</b>		
<b>(a) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	<u>634</u>	<u>973</u>
Of the above 2021: Nil (2020: ₹ 516) pertains to discontinued operations		
For commitments relating to lease arrangements (refer note 43)		
<b>(b) Contingent liabilities (to the extent not provided for)</b>		
Income tax (excluding interest)	6,843	4,821
Excise, service tax and sales tax liabilities, under dispute	6,818	6,563
Customs liabilities, under dispute	120	120
Claims against the Company not acknowledged as debts	903	899
Of the above 2021: Nil (2020: ₹ 100) pertains to discontinued operations		
i) In respect of above contingent liabilities, the future cash outflows are determinable only on receipt of judgements pending at various forums / authorities. The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.		
ii) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.		
<b>40 Auditors' remuneration (for audit services exclusive of GST)</b>		
	Sept 2021	Sept 2020
As auditor		
- Audit fees	22	21
- Tax audit fees	6	6
In other capacity		
- Other audit related services	4	2
- Reimbursement of expenses	*	1
	<u>32</u>	<u>30</u>

\* denotes figures less than a million

## 41 Disclosure relating to Provisions

### Provision for warranty

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing and past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period.

### Provision for liquidated damages

Liquidated damages are provided based on contractual terms when the delivery/ commissioning dates of an individual project have exceeded or are likely to exceed the delivery/ commissioning dates as per the respective contracts. This expenditure is expected to be incurred over the respective contractual terms up to closure of the contract (including warranty period).

### Provision for loss orders

A provision for expected loss on construction contracts is recognised when it is probable that the contract costs will exceed total contract revenue. For all other contracts, loss order provisions are made when the unavoidable costs of meeting the obligation under the contract exceed the currently estimated economic benefits.

### Provision for other matters

The Company has made provisions for known contractual risks, litigation cases and pending assessments in respect of taxes, duties and other levies, the outflow of which would depend on the cessation of the respective events.

The movements in the above provisions are summarised below:

	Warranty		Liquidated damages		Loss orders		Other matters	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020
Balance as at 1 October	3,434	3,215	743	957	1,067	1,085	2,940	2,891
Provisions :								
- Created	1,806	1,415	874	446	1,123	974	598	692
- Utilised	(350)	(279)	(195)	(190)	(1,030)	(736)	(288)	(222)
- Reversed	(562)	(787)	(258)	(463)	(80)	(104)	(654)	(343)
- Transferred due to sale of MD business	-	(130)	-	(7)	-	(152)	-	(78)
<b>Balance as at 30 September</b>	<b>4,328</b>	<b>3,434</b>	<b>1,164</b>	<b>743</b>	<b>1,080</b>	<b>1,067</b>	<b>2,596</b>	<b>2,940</b>
- Current	4,328	3,434	1,164	743	1,080	1,067	2,562	2,928
- Non-current	-	-	-	-	-	-	34	12



## Notes to the Financial Statements *(Continued)* for the year ended 30 September 2021 (Currency: Indian rupees millions)

### 42 Disclosure pursuant to Indian Accounting Standard - 115 'Revenue from contracts with customers' :

(i) Out of the total revenue recognised under Ind AS 115 during the period, ₹ 47,904 (2020: ₹ 40,563) is recognised over a period of time and ₹ 79,655 (2020: ₹ 55,245) is recognised at a point in time.

(ii) Reconciliation between revenue recognized and contract price:

	Sept 2021	Sept 2020
Contract Price	128,950	95,925
Less: Reductions towards variable consideration components *	1,391	117
<b>Revenue</b>	<b>127,559</b>	<b>95,808</b>

\* Reduction towards variable consideration components include discounts, liquidated damages, etc.

(iii) Remaining performance obligations: The aggregate amount of transaction price allocated to remaining performance obligations and expected conversion of the same into revenue is as follows:

Particulars	Unexecuted Order Value	Expected conversion in revenue	
		Up to 1 year	More than 1 year
Transaction price allocated to the remaining performance obligation:			
2021	135,198	88,213	46,985
2020	123,606	84,160	39,446

(iv) Revenue recognised during the year from opening balance of contract liabilities amounts to ₹ 11,353 (2020: ₹ 8,952).

(v) There is no revenue recognised during the year from the performance obligation that is satisfied in previous year (arising out of contract modifications).

(vi) Information regarding geographical disaggregation of revenue has been included in segment information [refer note 44(ii)].

### 43 Disclosure pursuant to Indian Accounting Standard - 116 "Leases"

#### As Lessee

#### i) Carrying value of Right of use assets at the end of the reporting period by class

	Balance at 1 October 2020	Addition / adjustments during the year	Deletion / adjustments during the year	Depreciation for the year	Depreciation charge for discontinued operations	Transferred due to sale of MD business	Balance at 30 September 2021
Land & Building	1,659	333	107	469	-	*	1,416
Vehicles	185	124	30	98	1	*	180
Plant and equipment	16	86	9	14	-	-	79
<b>Total</b>	<b>1,860</b>	<b>543</b>	<b>146</b>	<b>581</b>	<b>1</b>	<b>*</b>	<b>1,675</b>

\* denotes figures less than a million

43 Disclosure pursuant to Indian Accounting Standard - 116 "Leases" (Continued)

ii) Maturity analysis of Lease Liabilities

Maturity analysis – contractual undiscounted cash flows	Sept 2021	Sept 2020
Less than one year	672	864
One to five years	1,525	1,470
More than five years	-	15
<b>Total undiscounted Lease liabilities at 30 September 2021</b>	<b>2,197</b>	<b>2,349</b>
Current	672	864
Non-Current	1,525	1,485

iii) Amounts recognised in Profit or Loss

Interest expense on lease liabilities	122	174
Expenses relating to short-term leases	191	102
Expenses relating to leases of low-value assets	124	177
Income from sub-lease of properties	137	150

iv) During the year ended 30 September 2021, total cash outflow in respect of leases amounted to ₹ 640 (2020: ₹ 714)

44 (i) Information about business segments

	Revenue						Results	
	External revenue		Inter segmental revenue		Total		2021	2020
	2021	2020	2021	2020	2021	2020		
Energy	47,077	40,371	264	158	47,341	40,529	5,918	4,014
Smart Infrastructure (refer note 55)	39,254	26,163	1,261	1,472	40,515	27,635	2,982	1,013
Mobility	8,282	8,440	-	3	8,282	8,443	817	953
Digital Industries	29,578	18,913	715	502	30,293	19,415	2,330	1,156
Portfolio Companies **	4,407	3,842	30	1	4,437	3,843	251	200
Others	1,033	965	*	1	1,033	966	14	63
Eliminations	-	-	(2,270)	(2,137)	(2,270)	(2,137)	-	-
<b>Continuing operations</b>	<b>129,631</b>	<b>98,694</b>	<b>-</b>	<b>-</b>	<b>129,631</b>	<b>98,694</b>	<b>12,312</b>	<b>7,399</b>
<b>Discontinued operations (refer note 54)</b>	<b>1,414</b>	<b>6,713</b>			<b>1,414</b>	<b>6,713</b>	<b>368</b>	<b>(12)</b>
Interest expenses							196	292
Interest income							1,993	2,915
Other Income							197	184
<b>Profit before tax from continuing operation</b>							<b>14,306</b>	<b>10,206</b>
<b>Profit / (Loss) before tax from discontinued operation (refer note 54)</b>							<b>372</b>	<b>(13)</b>
Gain from sale of discontinued operations (refer note 54)							487	-
Income tax							(3,665)	(2,668)
Deferred tax credit/(expense)							(14)	36
<b>Profit after tax from continuing operation</b>							<b>10,627</b>	<b>7,574</b>
<b>Profit / (Loss) after tax from discontinued operation (refer note 54)</b>							<b>403</b>	<b>(9)</b>
<b>Total</b>	<b>131,045</b>	<b>105,407</b>	<b>-</b>	<b>-</b>	<b>131,045</b>	<b>105,407</b>	<b>11,030</b>	<b>7,565</b>

\* denotes figures less than a million

\*\* Portfolio Companies segment relates to Large Drive Applications.

Notes to the Financial Statements *(Continued)*  
for the year ended 30 September 2021  
(Currency: Indian rupees millions)

44 (i) Information about business segments *(Continued)*

	Assets		Liabilities		Capital Expenditure		Non-cash expenditure			
	2021	2020	2021	2020	2021	2020	Depreciation & amortisation / Impairment (Refer note 3, 4, 5 & 43)		Others	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Energy	38,500	36,272	28,402	26,966	192	327	767	925	65	314
Smart Infrastructure (refer note 55)	43,818	18,683	19,739	13,148	572	531	837	839	118	293
Mobility	8,572	8,827	5,306	5,746	21	42	150	165	40	78
Digital Industries	8,263	7,075	7,948	6,594	30	88	235	274	(284)	296
Portfolio Companies **	2,354	2,325	2,068	1,841	4	4	50	75	17	62
Others	2,367	2,225	1,058	1,151	107	321	243	226	5	5
	<u>103,874</u>	<u>75,407</u>	<u>64,521</u>	<u>55,446</u>	<u>926</u>	<u>-</u>	<u>2,282</u>	<u>2,504</u>	<u>(39)</u>	<u>1,048</u>
Unallocable corporate items	69,948	75,324	5,864	4,483	34	244	-	-	-	-
Discontinued Operation (refer note 54)	-	5,925	-	1,987	108	398	-	205	(148)	295
<b>Total</b>	<u><b>173,822</b></u>	<u><b>156,656</b></u>	<u><b>70,385</b></u>	<u><b>61,916</b></u>	<u><b>1,068</b></u>	<u><b>642</b></u>	<u><b>2,282</b></u>	<u><b>2,709</b></u>	<u><b>(187)</b></u>	<u><b>1,343</b></u>

(ii) Information about geographical areas

	Revenue based on location of customers		Non-Current assets	
	2021	2020	2021	2020
Within India	101,942	75,640	20,839	22,164
Outside India	27,689	23,054	-	-
<b>Total</b>	<u><b>129,631</b></u>	<u><b>98,694</b></u>	<u><b>20,839</b></u>	<u><b>22,164</b></u>

\* Portfolio Companies segment relates to Large Drive Applications.

**(iii) Other disclosures :**

- The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and profit from operations as the performance indicator for all of the operating segments. The Chief Executive Officer, Chief Financial Officer and Division CEO & CFO's are the CODM of the Company.
- Inter-segment prices are normally negotiated amongst the segments with reference to the costs, market price and business risks/ Transfer prices between operating segments are on arm's length basis in a manner similar to the transactions with third parties.
- No operating segments have been aggregated to form the above reportable operating segments.
- Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.
- Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.
- Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties including assets from the acquisition of subsidiaries.
- Profits / losses on inter segment transfers are eliminated at the Company level.

**(iv) Segment information :**

**Business Segments:** The business of the Company is divided into five segments. These segments are the basis for management control and hence, form the basis for reporting. The business of each segment comprises of :

- **Energy :** Provides fully integrated products, solutions and services across the energy value chain of oil and gas production, power generation and transmission for various customers such as utilities, independent power producers and engineering, procurement and construction (EPC) companies.
- **Smart Infrastructure :** Supplier of products, systems, solutions and services for transmission and distribution of electrical energy for power utilities, industrial companies and infrastructure segments. Portfolio covers systems for low & medium voltage distribution, solutions for smart grids and energy automation, low voltage power supply systems. Provides intelligent and connected infrastructure for grids and buildings.
- **Mobility :** Supplier of solutions for passenger and freight transportation – including rail vehicles, rail automation systems, rail electrification systems, road traffic technology and IT solutions.
- **Digital Industries :** Contains portfolio of leading edge automation, drives and software technologies covering the complete life cycle from product design and production execution to services for discrete and process Industries.
- **Portfolio Companies :** Supplier of products, services and mining & minerals solutions to industry sector.
- **Others :** Services provided to other group companies and lease rentals have been classified as "Others"

**Geographical Segments:** The business is organised in two geographical segments i.e. within India and outside India.

**Allocation of common costs**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

**Unallocated corporate items**

Unallocated items include general corporate items which are not allocated to any business segment.

# Notes to the Financial Statements *(Continued)*

## for the year ended 30 September 2021

### (Currency: Indian rupees millions)

#### 45 Related party transactions

##### 45.1 Parties where control exists

Siemens AG, Germany	Ultimate Holding Company
Siemens International Holding B.V., Netherlands	Subsidiary of Ultimate Holding Company (w.e.f. 23.06.2020)

##### Parties with significant influence

Siemens Gas and Power Holding B.V., Netherlands	Associate of Ultimate Holding Company (w.e.f. 28.09.2020)
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##### 45.2 Subsidiary

Siemens Rail Automation Pvt. Ltd., India	Subsidiary
C&S Electric Ltd., India	Subsidiary (w.e.f. 01.03.2021)

##### 45.3 Other related parties where transactions have taken place during the year:

Fellow Subsidiaries	Name	Country
	Siemens Spa	Algeria
	Siemens S.A. (upto 27.09.2020)	Argentina
	Flender Pty. Ltd. (upto 10.03.2021)	Australia
	J.R.B. Engineering Pty. Ltd.	Australia
	Siemens Energy Pty. Ltd. (upto 27.09.2020)	Australia
	Siemens Ltd.	Australia
	Siemens Mobility Pty. Ltd.	Australia
	ETM professional control GmbH	Austria
	Siemens Aktiengesellschaft Österreich	Austria
	Siemens Energy Austria GmbH (upto 27.09.2020)	Austria
	Siemens Energy Austria GmbH, Transformers (upto 27.09.2020)	Austria
	Siemens Metals Technologies Vermögensverwaltungs GmbH	Austria
	Siemens Mobility Austria GmbH	Austria
	Siemens Mobility Austria GmbH, Plant Rail Systems	Austria
	Trench Austria GmbH (upto 27.09.2020)	Austria
	Siemens W.L.L.	Bahrain
	Siemens Bangladesh Ltd.	Bangladesh
	Siemens Healthcare Ltd.	Bangladesh
	Siemens Industrial Ltd.	Bangladesh
	Flender S.R.L. (upto 10.03.2021)	Belgium
	Siemens Energy S.A./N.V. (upto 27.09.2020)	Belgium
	Siemens S.A./N.V.	Belgium
	Siemens Infraestrutura e Indústria Ltda.	Brazil
	Siemens Ltda. (upto 27.09.2020)	Brazil
	Siemens EOOD	Bulgaria
	Flender Corporation Canada Branch (upto 10.03.2021)	Canada
	Siemens Canada Ltd.	Canada
	Siemens Canada Ltd. - Process Instruments Business Unit	Canada

### 45.3 Other related parties where transactions have taken place during the year *(Continued)*

Fellow Subsidiaries	Name	Country
	Siemens Canada Ltd. - RuggedCom	Canada
	Siemens Energy Canada Ltd. (upto 27.09.2020)	Canada
	Siemens Energy Canada Ltd. - Dist Gen (PRW) (upto 27.09.2020)	Canada
	Trench Ltd. (upto 27.09.2020)	Canada
	Flender SpA (upto 10.03.2021)	Chile
	Siemens S.A.	Chile
	Beijing Siemens Cerberus Electronics Ltd.	China
	Flender Ltd., China (upto 10.03.2021)	China
	Siemens Circuit Protection Systems Ltd., Shanghai	China
	Siemens Electrical Apparatus Ltd., Suzhou	China
	Siemens Electrical Drives (Shanghai) Ltd.	China
	Siemens Electrical Drives Ltd.	China
	Siemens Energy Co., Ltd. (upto 27.09.2020)	China
	Siemens Factory Automation Engineering Ltd.	China
	Siemens Finance and Leasing Ltd.	China
	Siemens Healthineers Diagnostics (Shanghai) Co., Ltd.	China
	Siemens High Voltage Circuit Breaker Co., Ltd., Hangzhou (upto 27.09.2020)	China
	Siemens High Voltage Switchgear Co., Ltd., Shanghai (upto 27.09.2020)	China
	Siemens International Trading Ltd., Shanghai	China
	Siemens Ltd., China	China
	Siemens Medium Voltage Switching Technologies (Wuxi) Ltd.	China
	Siemens Numerical Control Ltd., Nanjing	China
	Siemens Power Automation Ltd.	China
	Siemens Sensors & Communication Ltd.	China
	Siemens Shanghai Medical Equipment Ltd.	China
	Siemens Shenzhen Magnetic Resonance Ltd.	China
	Siemens Standard Motors Ltd.	China
	Siemens Surge Arresters Ltd. (upto 27.09.2020)	China
	Siemens Switchgear Ltd., Shanghai	China
	Siemens Transformer (Guangzhou) Co., Ltd. (upto 27.09.2020)	China
	Siemens Wiring Accessories Shandong Ltd.	China
	Trench High Voltage Products Ltd., Shenyang (upto 27.09.2020)	China
	Siemens S.A.	Colombia
	Koncar-Energetski Transformatori, d.o.o. (upto 27.09.2020)	Croatia
	Siemens Energy d.o.o. (upto 27.09.2020)	Croatia
	OEZ s.r.o.	Czech Republic

# Notes to the Financial Statements *(Continued)*

## for the year ended 30 September 2021

### (Currency: Indian rupees millions)

#### 45.3 Other related parties where transactions have taken place during the year *(Continued)*

Fellow Subsidiaries	Name	Country
	OEZ s.r.o., Letohrad	Czech Republic
	Siemens Electric Machines s.r.o.	Czech Republic
	Siemens, s.r.o.	Czech Republic
	Siemens, s.r.o., OZ Elektromotory Frenstat and OZ Elektromotory Mohelnice	Czech Republic
	Siemens Energy, s.r.o., odstepny zavod Industrial Turbomachinery (upto 27.09.2020)	Czechia
	Siemens A/S	Denmark
	Siemens Energy S.R.L. (upto 27.09.2020)	Dominican Republic
	Siemens Industrial LLC	Egypt
	Siemens Technologies S.A.E. (upto 27.09.2020)	Egypt
	Siemens S.A.	El Salvador
	Siemens Osakeyhtiö	Finland
	Dresser-Rand SAS (upto 27.09.2020)	France
	Flender-Graffenstaden SAS (upto 10.03.2021)	France
	Siemens Energy S.A.S. (upto 27.09.2020)	France
	Siemens Industry Software SAS	France
	Siemens Mobility SAS	France
	Siemens SAS	France
	Siemens SAS, Division production Process Automation, Usine de Haguenau	France
	Trench France SAS (upto 27.09.2020)	France
	Flender GmbH (upto 10.03.2021)	Germany
	Flender GmbH, BL Wind Energy Generation (upto 10.03.2021)	Germany
	Flender Industrial Gear GmbH (upto 10.03.2021)	Germany
	HSP High Voltage Equipment GmbH	Germany
	HSP Hochspannungsgeräte GmbH (upto 27.09.2020)	Germany
	KACO new energy GmbH	Germany
	Next47 GmbH	Germany
	SGP KG, Erlangen (upto 27.09.2020)	Germany
	SGP KG, Laatzen (upto 27.09.2020)	Germany
	SGP KG, Nürnberg (upto 27.09.2020)	Germany
	SGP KG, Werk Berlin (upto 27.09.2020)	Germany
	SGP KG, Werk Duisburg (upto 27.09.2020)	Germany
	SGP KG, Werk Erfurt (upto 27.09.2020)	Germany
	SGP KG, Werk Görlitz (upto 27.09.2020)	Germany
	SGP KG, Werk Mülheim (upto 27.09.2020)	Germany

### 45.3 Other related parties where transactions have taken place during the year (Continued)

Fellow Subsidiaries	Name	Country
	SGP KG, Werk Nürnberg (upto 27.09.2020)	Germany
	Siemens Bank GmbH	Germany
	Siemens Beteiligungen Inland GmbH	Germany
	Siemens Compressor Systems GmbH (upto 27.09.2020)	Germany
	Siemens Financial Services GmbH	Germany
	Siemens Gas and Power GmbH & Co. KG (upto 27.09.2020)	Germany
	Siemens Healthcare GmbH	Germany
	Siemens Mobility GmbH	Germany
	Siemens Mobility GmbH, dARE	Germany
	Siemens Traction Gears GmbH	Germany
	Siemens Treasury GmbH	Germany
	SYKATEC Systeme, Komponenten, Anwendungstechnologie GmbH	Germany
	Trench Germany GmbH (upto 27.09.2020)	Germany
	Weiss Spindeltechnologie GmbH	Germany
	Siemens Oil & Gas Equipment Ltd. (upto 27.09.2020)	Ghana
	Siemens A.E., Electrotechnical Projects and Products	Greece
	Siemens S.A.	Guatemala
	Siemens Energy Ltd. (upto 27.09.2020)	Hong Kong
	Siemens Ltd.	Hong Kong
	Siemens Energy Kft., Generation Plant Budapest (upto 27.09.2020)	Hungary
	Siemens Zrt.	Hungary
	Bytemark Technology Solutions India Pvt. Ltd.	India
	Dresser-Rand India Pvt. Ltd. (upto 27.09.2020)	India
	Fast Track Diagnostics Asia Pvt. Ltd.	India
	Flender Drives Pvt. Ltd. (upto 10.03.2021)	India
	Mentor Graphics (India) Pvt. Ltd.	India
	Mentor Graphics (Sales and Services) Pvt. Ltd.	India
	PETNET Radiopharmaceutical Solutions Pvt. Ltd.	India
	Siemens Factoring Pvt. Ltd.	India
	Siemens Financial Services Pvt. Ltd.	India
	Siemens Gamesa Renewable Energy Engineering Centre Pvt. Ltd. (upto 27.09.2020)	India
	Siemens Healthcare Pvt. Ltd.	India
	Siemens Healthineers India LLP	India
	Siemens Industry Software (India) Pvt. Ltd.	India
	Siemens Industry Software Computational Dynamics India Pvt. Ltd.	India
	Siemens Logistics India Pvt. Ltd.	India



# Notes to the Financial Statements *(Continued)*

## for the year ended 30 September 2021

### (Currency: Indian rupees millions)

#### 44.3 Other related parties where transactions have taken place during the year *(Continued)*

Fellow Subsidiaries	Name	Country
	Siemens Technology and Services Pvt. Ltd.	India
	P.T. Siemens Indonesia	Indonesia
	PT Siemens Mobility Indonesia	Indonesia
	Mentor Graphics (Ireland) Ltd.	Ireland
	Siemens Israel Ltd. (upto 27.09.2020)	Israel
	Siemens Ltd.	Israel
	Flender Italia S.r.l. (upto 10.03.2021)	Italy
	Siemens Energy S.r.l. (upto 27.09.2020)	Italy
	Siemens S.p.A.	Italy
	Siemens Transformers S.r.l. (upto 27.09.2020)	Italy
	Trench Italia S.r.l. (upto 27.09.2020)	Italy
	Siemens Energy SARL (upto 27.09.2020)	Ivory Coast
	Siemens K.K.	Japan
	Siemens TOO	Kazakhstan
	Siemens Energy Ltd. (upto 27.09.2020)	Korea
	Siemens Ltd. Seoul	Korea
	Siemens Mobility Ltd.	Korea
	Siemens Industrial Business Co. For Electrical, Electronic and Mechanical Contracting WLL	Kuwait
	Siemens Energy Sdn. Bhd. (upto 27.09.2020)	Malaysia
	Siemens Malaysia Sdn. Bhd.	Malaysia
	Siemens Mobility Sdn. Bhd.	Malaysia
	Siemens Energy, S. de R.L. de C.V. (upto 27.09.2020)	Mexico
	Siemens Servicios S.A. de C.V.	Mexico
	Siemens, S.A. de C.V.	Mexico
	Siemens S.A.	Morocco
	Flender B.V. (upto 10.03.2021)	Netherlands
	Siemens Energy B.V. (upto 27.09.2020)	Netherlands
	Siemens Industry Software B.V.	Netherlands
	Siemens Nederland N.V.	Netherlands
	Siemens (N.Z.) Ltd.	New Zealand
	Siemens Energy Ltd. (upto 27.09.2020)	Nigeria
	Siemens AS	Norway
	Siemens Energy AS (upto 27.09.2020)	Norway
	Siemens Energy L.L.C. (upto 27.09.2020)	Oman
	Siemens Industrial LLC	Oman
	Siemens Energy S.A.C. (upto 27.09.2020)	Peru

#### 44.3 Other related parties where transactions have taken place during the year (Continued)

Fellow Subsidiaries	Name	Country
	Siemens S.A.C.	Peru
	Siemens Power Operations, Inc. (upto 27.09.2020)	Philippines
	Siemens, Inc.	Philippines
	Siemens Energy Sp. z o.o. (upto 27.09.2020)	Poland
	Siemens Sp. z o.o.	Poland
	Siemens Energy Unipessoal Lda. (upto 27.09.2020)	Portugal
	Siemens S.A.	Portugal
	Siemens Energy W.L.L (upto 27.09.2020)	Qatar
	Siemens W.L.L.	Qatar
	Siemens Energy S.R.L. (Upto 27.09.2020)	Romania
	Siemens S.R.L.	Romania
	SIMEA S.R.L., Plant SEIT Sibiu	Romania
	OOO Siemens Gas Turbine Technologies (upto 27.09.2020)	Russia
	Siemens Finance and Leasing LLC	Russia
	Siemens Gas and Power LLC (upto 27.09.2020)	Russia
	OOO Siemens	Russian
	Arabia Electric Ltd. (Equipment)	Saudi Arabia
	ISCOSA Industries and Maintenance Ltd. (upto 27.09.2020)	Saudi Arabia
	Siemens Ltd.	Saudi Arabia
	Siemens d.o.o. Beograd	Serbia
	Siemens Energy d.o.o. Beograd (upto 27.09.2020)	Serbia
	Flender Pte. Ltd. (upto 10.03.2021)	Singapore
	Siemens Energy Pte. Ltd. (upto 27.09.2020)	Singapore
	Siemens Healthcare Pte. Ltd.	Singapore
	Siemens Mobility Pte. Ltd.	Singapore
	Siemens Pte. Ltd.	Singapore
	Siemens Energy, s.r.o. (upto 27.09.2020)	Slovakia
	Siemens s.r.o.	Slovakia
	Flender (Pty) Ltd (upto 10.03.2021)	South Africa
	Siemens Energy (Pty) Ltd (upto 27.09.2020)	South Africa
	Siemens Mobility (Pty) Ltd	South Africa
	Siemens Proprietary Ltd.	South Africa

# Notes to the Financial Statements *(Continued)*

## for the year ended 30 September 2021

### (Currency: Indian rupees millions)

#### 44.3 Other related parties where transactions have taken place during the year *(Continued)*

Fellow Subsidiaries	Name	Country
	Flender Iberica SI (Upto 10.03.2021)	Spain
	Siemens Energy S.A. (upto 27.09.2020)	Spain
	Siemens Mobility, S.L.U.	Spain
	Siemens Rail Automation S.A.U.	Spain
	Siemens S.A.	Spain
	Siemens AB	Sweden
	Siemens Energy AB (upto 27.09.2020)	Sweden
	Siemens Mobility AG	Switzerland
	Siemens Schweiz AG	Switzerland
	Siemens Schweiz AG, Smart Infrastructure, Global Headquarters	Switzerland
	Siemens Ltd.	Taiwan
	Siemens Energy Ltd. (upto 27.09.2020)	Thailand
	Siemens Ltd.	Thailand
	Siemens Mobility Ltd.	Thailand
	Flender Mekanik Güc Aktarma Sistemleri Sanayi ve Ticaret Anonim Sirketi (upto 10.03.2021)	Turkey
	Siemens Enerji Sanayi ve Ticaret Anonim Sirketi (upto 27.09.2020)	Turkey
	Siemens Finansal Kiralama A.S.	Turkey
	Siemens Sanayi ve Ticaret Anonim Sirketi	Turkey
	Siemens Industrial LLC	UAE
	Siemens LLC	UAE
	Electrium Sales Ltd.	UK
	Flender Ltd. (upto 10.03.2021)	UK
	I DT Factory Congleton	UK
	Industrial Turbine Company (UK) Ltd. (upto 27.09.2020)	UK
	Siemens Energy Ltd. (upto 27.09.2020)	UK
	Siemens HC Ltd. MR Magnet Technology	UK
	Siemens Industrial Turbomachinery Ltd. (upto 27.09.2020)	UK
	Siemens Mobility Ltd.	UK
	Siemens plc	UK
	Siemens Ukraine	Ukraine
	Building Robotics Inc.	USA
	Dresser-Rand Company (upto 27.09.2020)	USA

#### 45.3 Other related parties where transactions have taken place during the year (Continued)

Fellow Subsidiaries	Name	Country
	eMeter Corporation	USA
	Enlighted, Inc.	USA
	Flender Corporation (upto 10.03.2021)	USA
	MG Corp	USA
	Siemens Corporation	USA
	Siemens Demag Delaval Turbomachinery, Inc. (upto 27.09.2020)	USA
	Siemens Energy Inc. (US) – Transmission (E1P) (upto 27.09.2020)	USA
	Siemens Energy Inc. (US)– Solutions (E1P) (upto 27.09.2020)	USA
	Siemens Energy, Inc. (upto 27.09.2020)	USA
	Siemens Energy, Inc. (US) - Dist Gen (PS1) (upto 27.09.2020)	USA
	Siemens Energy, Inc. (US) - Fossil Products (OPP) (upto 27.09.2020)	USA
	Siemens Energy, Inc. (US) - Oil& Gas (PT2) (upto 27.09.2020)	USA
	Siemens Healthcare Diagnostics Inc.	USA
	Siemens Industry Software Inc.	USA
	Siemens Industry, Inc.	USA
	Siemens Mobility, Inc	USA
	Siemens Gas and Power Ltd. Company (upto 27.09.2020)	Vietnam
	Siemens Ltd.	Vietnam
45.3 Subsidiaries / associate of parties who has significant influence (Fellow Associate) (w.e.f. 28.09.2020)	<b>Name</b>	<b>Country</b>
	Siemens Energy S.A.	Argentina
	Siemens Energy Pty. Ltd.	Australia
	Siemens Energy Austria GmbH	Austria
	Trench Austria GmbH	Austria
	Siemens Bangladesh Ltd	Bangladesh
	Siemens Energy S.A./N.V.	Belgium
	Siemens Energy Brasil Ltda.	Brazil
	Siemens Energy Canada Ltd.	Canada
	Trench Ltd.	Canada
	Siemens Energy S.P.A.	Chile
	Siemens Energy Co., Ltd.	China
	Siemens High Voltage Circuit Breaker Co., Ltd., Hangzhou	China
	Siemens High Voltage Switchgear Co., Ltd., Shanghai	China
	Siemens Surge Arresters Ltd.	China
	Siemens Transformer (Guangzhou) Co., Ltd.	China
	Siemens Transformer (Jinan) Co., Ltd	China
	Trench High Voltage Products Ltd., Shenyang	China
	Siemens Energy S.A.S.	Colombia
	Koncar-Energetski Transformatori D.O.O.	Croatia
	Siemens Energy d.o.o.	Croatia
	Siemens Energy, s.r.o.	Czech Republic

# Notes to the Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## 45.3 Other related parties where transactions have taken place during the year (*Continued*)

45.3 Subsidiaries / associate of parties who has significant influence (Fellow Associate) (w.e.f. 28.09.2020)	Name	Country
	Siemens Energy S.A.E.	Egypt
	Dresser-Rand SAS	France
	Siemens Energy S.A.S.	France
	Trench France SAS	France
	HSP Hochspannungsgeraete GmbH	Germany
	Siemens Compressor Systems GmbH	Germany
	Siemens Energy Global GmbH & Co. KG (erstwhile known as Siemens Gas and Power GmbH & Co. KG & SGP KG, Werk Duisburg)	Germany
	Trench Germany GmbH	Germany
	Siemens Energy Ltd.	Hong Kong
	Siemens Energy Kft.	Hungary
	Dresser-Rand India Pvt. Ltd.	India
	Siemens Gamesa Renewable Energy Engineering Centre Pvt. Ltd.	India
	Siemens Gamesa Renewable Power Pvt. Ltd.	India
	Siemens Energy Ltd.	Israel
	Siemens Energy SRL	Italy
	Siemens Energy Transformers S.r.l.	Italy
	Trench Italia S.R.L.	Italy
	Siemens Energy SARL	Ivory Coast
	Siemens Energy Ltd	Korea
	Siemens Electrical & Electronic Services K.S.C.C.	Kuwait
	Siemens Energy Sdn. Bhd.	Malaysia
	Siemens Energy, S. De R. L. De C.V.	Mexico
	Siemens Energy B.V.	Netherlands
	Siemens Energy Ltd.	Nigeria
	Siemens Energy AS	Norway
	Siemens Energy LLC	Oman
	Siemens Energy S.A.C.	Peru
	Siemens Energy, Inc.	Philippines
	Siemens Energy Sp. z o.o.	Poland
	Siemens Energy Unipessoal Lda.	Portugal
	Siemens Energy W.L.L	Qatar
	Siemens Energy S.R.L.	Romania
	Siemens Energy LLC	Russia
	Siemens Energy Ltd.	Saudi Arabia
	Siemens Energy d.o.o. Beograd	Serbia
	Siemens Energy Pte. Ltd.	Singapore
	Siemens Energy (Pty) Ltd	South Africa
	Siemens Energy, S.A.	Spain
	Siemens Energy AB	Sweden
	Siemens Energy Ltd.	Taiwan
	Siemens Energy Ltd.	Thailand
	Siemens Enerji Sanayi Ve Ticaret Anonim Sirketi	Turkey
	Siemens Energy LLC	Ukraine

45.3	Subsidiaries / associate of parties who has significant influence (Fellow Associate) (w.e.f. 28.09.2020)	Name	Country
		Siemens Energy LLC	UAE
		Industrial Turbine Company (UK) Ltd.	UK
		Siemens Energy Industrial Turbomachinery Ltd.	UK
		Siemens Energy Ltd.	UK
		Dresser-Rand Company	USA
		Siemens Demag Delaval Turbomachinery, Inc.	USA
		Siemens Energy, Inc.	USA
		Siemens Energy Ltd. Company	Vietnam
45.4	<b>Key Managerial Personnel</b>		
	<b>Whole-Time Directors</b>	Mr. Sunil Mathur	
		Dr. Daniel Spindler	
	<b>Company Secretary</b>	Mr. Ketan Thaker	
	<b>Non-Executive Directors</b>	Mr. Josef Kaeser (Director only upto 28.02.2021)	
		Mr. Cedrik Neike (Director only upto 30.11.2020)	
		Mr. Johannes Apitzsch	
		Ms. Mariel von Schumann (Director only upto 12.02.2021)	
		Mr. Tim Holt (Director w.e.f. 01.06.2020)	
		Mr. Matthias Rebellius (Director w.e.f. 01.12.2020)	
		Mr. Willem Rudolf Basson (Director w.e.f. 01.03.2021)	
	<b>Independent Directors</b>	Mr. Deepak Parekh	
		Mr. Yezdi Malegam (Director only upto 29.01.2021)	
		Mr. Darius Shroff (Director only upto 29.01.2020)	
		Mr. Keki Dadiseth (Director only upto 29.01.2020)	
		Mr. Mehernosh B. Kapadia	
		Ms. Anjali Bansal	
	<b>Managing Board of SAG</b>	Dr. Roland Busch	
		Mr. Cedrik Neike	
		Mr. Matthias Rebellius (Director w.e.f. 01.10.2020)	
		Mr. Ralf P.Thomas	
		Ms. Judith Wiese (Director w.e.f. 01.10.2020)	
45.5	<b>Others</b>		
	<b>Domestic partner of KMP</b>	Ms. Sandra Marques Alves	
	<b>Employees benefit plans where there is significant influence</b>	Siemens India Ltd. Indian Staff Provident Fund	
		Siemens India Ltd. Gratuity Fund	
	<b>Enterprises over which KMP are able to exercise significant influence</b>	Indian School of business (upto 29.01.2020)	
		Breach Candy Hospital Trust	
		Omnicom India Marketing Advisory Services Pvt. Ltd. (upto 29.01.2020)	
		Bharatiya Reserve Bank Note Mudran Pvt. Ltd. (upto 29.01.2021)	
		Delhivery Pvt. Ltd. (upto 16.09.2021)	

Notes to the Financial Statements *(Continued)*  
for the year ended 30 September 2021  
(Currency: Indian rupees millions)

45.6 Related party transactions

Description	2021						2020					
	Ultimate Holding Company	Subsidiary	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others	Holding Company	Subsidiary	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others
<b>Revenue (net of taxes)</b>												
- Siemens AG	4,840	-	-	-	-	-	3,373	-	-	-	-	-
- Siemens Rail Automation Pvt. Ltd.	-	31	-	-	-	-	-	28	-	-	-	-
- C&S Electric Ltd.	-	7	-	-	-	-	-	-	-	-	-	-
- Siemens W.L.L.	-	-	973	-	-	-	-	-	427	-	-	-
- Siemens Energy Global GmbH & Co. KG	-	-	-	3,720	-	-	-	-	1,635	-	-	-
- Others	-	-	3,186	5,766	-	-	-	-	9,475	52	-	3
<b>Commission income</b>												
- Siemens AG	22	-	-	-	-	-	33	-	-	-	-	-
- Siemens Industrial Turbomachinery Ltd.	-	-	-	23	-	-	-	-	113	-	-	-
- Industrial Turbine Company (UK) Ltd.	-	-	-	16	-	-	-	-	52	-	-	-
- Others	-	-	-	22	-	-	-	-	33	-	-	-
<b>Recoveries from group companies</b>												
- Siemens AG	599	-	-	-	-	-	713	-	-	-	-	-
- Siemens Rail Automation Pvt. Ltd.	-	28	-	-	-	-	-	12	-	-	-	-
- C&S Electric Ltd.	-	26	-	-	-	-	-	-	-	-	-	-
- Siemens Technology and Services Pvt. Ltd.	-	-	232	-	-	-	-	-	216	-	-	-
- Siemens Healthcare Pvt. Ltd.	-	-	54	-	-	-	-	-	48	-	-	-
- Siemens Industry Software (India) Pvt. Ltd.	-	-	52	-	-	-	-	-	44	-	-	-
- Siemens Energy Global GmbH & Co. KG	-	-	-	63	-	-	-	-	208	-	-	-
- Others	-	-	180	61	-	-	-	-	260	-	-	-
<b>Reimbursement of expenses received</b>												
- Siemens AG	396	-	-	-	-	-	523	-	-	-	-	-
- Siemens Rail Automation Pvt. Ltd.	-	5	-	-	-	-	-	6	-	-	-	-
- Siemens Pte. Ltd.	-	-	86	-	-	-	-	-	56	-	-	-
- Siemens Mobility GmbH	-	-	34	-	-	-	-	-	21	-	-	-
- Siemens Canada Ltd. - RuggedCom	-	-	42	-	-	-	-	-	6	-	-	-
- Siemens Technology and Services Pvt. Ltd.	-	-	5	-	-	-	-	-	109	-	-	-
- Siemens Energy, Inc. (US) - Oil & Gas (PT2)	-	-	-	-	-	-	-	-	56	-	-	-
- Siemens Energy Global GmbH & Co. KG	-	-	-	30	-	-	-	-	69	-	-	-
- Others	-	-	20	80	-	-	-	-	264	-	-	-
<b>Other Income</b>												
- Siemens Energy Global GmbH & Co. KG	-	-	-	127	-	-	-	-	116	-	-	-

#### 45.6 Related party transactions (Continued)

Description	2021						2020					
	Ultimate Holding Company	Subsidiary	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others	Holding Company	Subsidiary	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others
<b>Purchase of goods and services</b>												
- Siemens AG	24,415	-	-	-	-	-	16,652	-	-	-	-	-
- Siemens Rail Automation Pvt. Ltd.	-	154	-	-	-	-	-	118	-	-	-	-
- C&S Electric Ltd.	-	134	-	-	-	-	-	-	-	-	-	-
- Siemens Mobility GmbH	-	-	1,312	-	-	-	-	-	810	-	-	-
- Flender GmbH	-	-	887	-	-	-	-	-	1,877	-	-	-
- Siemens Medium Voltage Switching Technologies (Wuxi) Ltd.	-	-	881	-	-	-	-	-	521	-	-	-
- Others	-	-	5,119	7,804	-	*	-	-	10,079	172	-	*
<b>Rent income</b>												
- Siemens Rail Automation Pvt. Ltd.	-	*	-	-	-	-	-	*	-	-	-	-
- Siemens Financial Services Pvt. Ltd.	-	-	77	-	-	-	-	-	83	-	-	-
- Siemens Technology and Services Pvt. Ltd.	-	-	43	-	-	-	-	-	40	-	-	-
- Siemens Logistics India Pvt. Ltd.	-	-	22	-	-	-	-	-	19	-	-	-
- Siemens Healthcare Pvt. Ltd.	-	-	18	-	-	-	-	-	106	-	-	-
- Dresser-Rand India Pvt. Ltd.	-	-	-	76	-	-	-	-	48	-	-	-
- Others	-	-	4	-	-	-	-	-	8	-	-	-
<b>Interest income</b>												
- Siemens Financial Services Pvt. Ltd.	-	-	403	-	-	-	-	-	557	-	-	-
- Siemens Factoring Pvt. Ltd.	-	-	41	-	-	-	-	-	60	-	-	-
- Others	-	-	*	-	-	-	-	-	3	-	-	-
<b>Bank guarantee charges</b>												
- Siemens AG	119	-	-	-	-	-	114	-	-	-	-	-
- Others	-	-	*	-	-	-	-	-	3	-	-	-
<b>License Fees</b>												
- Siemens AG	512	-	-	-	-	-	296	-	-	-	-	-
- Siemens Mobility GmbH	-	-	16	-	-	-	-	-	29	-	-	-
- Siemens Schweiz AG, Smart Infrastructure, Global Headquarters	-	-	9	-	-	-	-	-	7	-	-	-
- Flender GmbH	-	-	6	-	-	-	-	-	118	-	-	-
- Siemens Industry Software (India) Pvt. Ltd.	-	-	5	-	-	-	-	-	-	-	-	-
- Siemens Energy Global GmbH & Co. KG	-	-	-	361	-	-	-	-	160	-	-	-
- Others	-	-	3	13	-	-	-	-	37	-	-	-

\* denotes figures less than a million



# Notes to the Financial Statements *(Continued)*

## for the year ended 30 September 2021

### (Currency: Indian rupees millions)

#### 45.6 Related party transactions *(Continued)*

Description	2021						2020					
	Ultimate Holding Company	Subsidiary	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others	Holding Company	Subsidiary	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others
<b>Dividend paid (on payment basis)</b>												
- Siemens AG	-	-	-	-	-	-	1,787	-	-	-	-	-
- Siemens International Holding B.V., Netherlands	-	-	1,189	-	-	-	-	-	-	-	-	-
- Siemens Gas and Power Holding B.V., Netherlands	-	-	-	598	-	-	-	-	-	-	-	-
- Siemens Metals Technologies Vermögensverwaltungs GmbH	-	-	82	-	-	-	-	-	82	-	-	-
<b>Purchase of Property, plant and equipment/ Investment property/ Capital work in progress</b>												
- Siemens AG	27	-	-	-	-	-	40	-	-	-	-	-
- OEZ s.r.o.	-	-	13	-	-	-	-	-	*	-	-	-
- Siemens Sanayi ve Ticaret Anonim Sirketi	-	-	7	-	-	-	-	-	-	-	-	-
- Siemens Circuit Protection Systems Ltd., Shanghai	-	-	4	-	-	-	-	-	-	-	-	-
- Siemens SAS	-	-	6	-	-	-	-	-	-	-	-	-
- Flender GmbH	-	-	3	-	-	-	-	-	33	-	-	-
- Siemens Mobility GmbH	-	-	-	-	-	-	-	-	5	-	-	-
- Others	-	-	3	9	-	-	-	-	7	-	-	-
<b>Sale of Property, plant and equipment/ Investment property</b>												
- Siemens Electrical Drives Ltd.	-	-	17	-	-	-	-	-	-	-	-	-
- Siemens Healthcare Pvt. Ltd.	-	-	*	-	-	-	-	-	*	-	-	-
- Dresser-Rand India Pvt. Ltd.	-	-	-	-	-	-	-	-	63	-	-	-
<b>Sale of Business</b>												
- Flender Drives Pvt. Ltd.	-	-	3,759	-	-	-	-	-	-	-	-	-
<b>Remuneration **</b>												
- Mr. Sunil Mathur Short term employee benefits	-	-	-	-	174	-	-	-	-	-	158	-
- Post-employment benefits	-	-	-	-	6	-	-	-	-	-	6	-
- Share based payments	-	-	-	-	65	-	-	-	-	-	77	-
- Dr. Daniel Spindler Short term employee benefits	-	-	-	-	59	-	-	-	-	-	52	-
- Share based payments	-	-	-	-	13	-	-	-	-	-	4	-

\* denotes figures less than a million

\*\* Remuneration does not include the provisions made for gratuity, leave and medical benefits, as they are determined on an actuarial basis for the company as a whole. Remuneration in the form of stock awards are included only upon vesting.

#### 45.6 Related party transactions (Continued)

Description	2021						2020					
	Ultimate Holding Company	Subsidiary	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others	Holding Company	Subsidiary	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others
<b>Remuneration**</b>												
- Mr. Ketan Thaker												
Short term employee benefits	-	-	-	-	7	-	-	-	-	-	7	-
Post-employment benefits	-	-	-	-	*	-	-	-	-	-	*	-
Share based payments	-	-	-	-	4	-	-	-	-	-	2	-
- Others	-	-	-	-	3	-	-	-	-	-	3	-
<b>Payment to Trusts</b>												
- Siemens India Ltd. Indian Staff Provident Fund	-	-	-	-	-	443	-	-	-	-	-	458
- Siemens India Ltd. Gratuity Fund	-	-	-	-	-	407	-	-	-	-	-	403
<b>Sitting fees to Independent Directors/ Non-executive Directors</b>												
Commission to Independent Directors/ Non-executive Directors	-	-	-	-	3	-	-	-	-	-	4	-
<b>Loans / Inter Corporate Deposits given</b>												
- Siemens Financial Services Pvt. Ltd.	-	-	3,810	-	-	-	-	-	5,740	-	-	-
- Siemens Factoring Pvt. Ltd.	-	-	710	-	-	-	-	-	450	-	-	-
- Siemens Technology and Services Pvt. Ltd.	-	-	200	-	-	-	-	-	437	-	-	-
- Siemens Industry Software (India) Pvt. Ltd.	-	-	-	-	-	-	-	-	1,125	-	-	-
<b>Repayment of Loans / Inter corporate deposits given</b>												
- Siemens Financial Services Pvt. Ltd.	-	-	3,110	-	-	-	-	-	6,650	-	-	-
- Siemens Factoring Pvt. Ltd.	-	-	1,030	-	-	-	-	-	270	-	-	-
- Siemens Technology and Services Pvt. Ltd.	-	-	200	-	-	-	-	-	437	-	-	-
- Siemens Industry Software (India) Pvt. Ltd.	-	-	-	-	-	-	-	-	1,125	-	-	-

\* denotes figures less than a million

\*\* Remuneration does not include the provisions made for gratuity, leave and medical benefits, as they are determined on an actuarial basis for the company as a whole. Remuneration in the form of stock awards are included only upon vesting.

# Notes to the Financial Statements *(Continued)*

## for the year ended 30 September 2021

### (Currency: Indian rupees millions)

#### 45.6 Related party transactions *(Continued)*

Description	2021						2020					
	Ultimate Holding Company	Subsidiary	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others	Holding Company	Subsidiary	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others
<b>Factoring of trade receivables ***</b>												
- Siemens Financial Services Pvt. Ltd.	-	-	192	-	-	-	-	-	28	-	-	-
<b>Outstanding Balances</b>												
<b>Receivables</b>												
- Siemens AG	332	-	-	-	-	-	467	-	-	-	-	-
- Siemens Rail Automation Pvt. Ltd.	-	-	-	-	-	-	-	10	-	-	-	-
- C&S Electric Ltd.	-	29	-	-	-	-	-	-	-	-	-	-
- Siemens Technology and Services Pvt. Ltd.	-	-	73	-	-	-	-	-	31	-	-	-
- Siemens W.L.L.	-	-	55	-	-	-	-	-	121	-	-	-
- Flender Corporation	-	-	-	-	-	-	-	-	78	-	-	-
- Flender GmbH	-	-	-	-	-	-	-	-	77	-	-	-
- Others	-	-	272	2,226	-	-	-	-	379	273	-	-
<b>Payables</b>												
- Siemens AG	6,673	-	-	-	-	-	4,981	-	-	-	-	-
- Siemens Rail Automation Pvt. Ltd.	-	64	-	-	-	-	-	23	-	-	-	-
- C&S Electric Ltd.	-	103	-	-	-	-	-	-	-	-	-	-
- Siemens Mobility GmbH	-	-	380	-	-	-	-	-	357	-	-	-
- Siemens Schweiz AG, Smart Infrastructure, Global Headquarters	-	-	278	-	-	-	-	-	118	-	-	-
- Siemens Electrical Drives (Shanghai) Ltd.	-	-	157	-	-	-	-	-	224	-	-	-
- Flender GmbH	-	-	-	-	-	-	-	-	457	-	-	-
- Others	-	-	1,390	2,624	-	-	-	-	1,047	3,499	-	-
<b>Loans / Inter corporate deposits to related parties</b>												
- Siemens Financial Services Pvt. Ltd.	-	-	7,400	-	-	-	-	-	6,700	-	-	-
- Siemens Factoring Pvt. Ltd.	-	-	680	-	-	-	-	-	1,000	-	-	-
<b>Interest receivable on inter corporate deposits</b>												
- Siemens Financial Services Pvt. Ltd.	-	-	53	-	-	-	-	-	57	-	-	-
- Siemens Factoring Pvt. Ltd.	-	-	3	-	-	-	-	-	8	-	-	-
<b>Remuneration payable **</b>												
- Mr. Sunil Mathur	-	-	-	-	118	-	-	-	-	-	87	-
- Dr. Daniel Spindler	-	-	-	-	35	-	-	-	-	-	21	-
- Mr. Ketan Thaker	-	-	-	-	2	-	-	-	-	-	*	-

\* denotes figures less than a million

\*\* Remuneration does not include the provisions made for gratuity, leave and medical benefits, as they are determined on an actuarial basis for the company as a whole. Remuneration in the form of stock awards are included only upon vesting.

\*\*\* The Company has entered into factoring arrangement for certain trade receivables on a non recourse basis. Collections arising of the said arrangement amounting to ₹ 192 (2020: ₹ 28) have been adjusted.

All transactions entered into with related parties defined under the Companies Act, 2013 during the financial year, were on arm's length pricing basis.

**46 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' :**

**(i) Defined Contribution Plans**

Amount of ₹ 202 (2020: ₹ 190) is recognised as an expense and included in "Employee benefits expense" (refer note 36) in the statement of profit and loss. The said amount is excluding of amounts recognised by discontinued operation.

**(ii) Defined Benefit Plans**

**a) Amounts for the current period are as follows :**

	Gratuity		Pension		Medical		Retirement Gift	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020
<b>I Change in defined benefit obligation</b>								
Liability at the beginning of the year	2,822	2,707	259	275	1,754	1,134	108	100
Expenses recognised in profit and loss Account:								
- Interest cost	187	191	16	22	117	80	7	7
- Current service cost	255	250	-	-	101	59	10	9
Recognised in Other Comprehensive Income:								
Remeasurement (gains) / losses								
Actuarial (gain) / loss arising from								
i Change in demographic assumptions	(78)	-	23	-	38	-	(31)	-
ii Change in financial assumptions	1	(60)	(3)	7	(57)	492	(0)	(2)
iii Experience variance	50	7	22	(9)	(142)	96	(2)	2
Benefits paid:								
Disbursements from Plan Assets	(13)	(57)	-	-	-	-	-	-
Disbursements directly paid by the employer	(180)	(85)	(36)	(36)	(69)	(68)	(4)	(3)
Less : Acquisition/Divestiture	(4)	(131)	-	-	(6)	(39)	(1)	(5)
Liability at the end of the year	<u>3,040</u>	<u>2,822</u>	<u>281</u>	<u>259</u>	<u>1,736</u>	<u>1,754</u>	<u>87</u>	<u>108</u>

<b>II Fair value of plan assets</b>								
Fair value of plan assets at the beginning of the year	2,485	1,938	-	-	-	-	-	-
Expenses recognised in profit and loss Account								
- Return on plan assets	184	153	-	-	-	-	-	-
Remeasurement gains / (losses)								
- Actuarial gain / (loss) on plan assets	191	163	-	-	-	-	-	-
Contributions	407	403	-	-	-	-	-	-
Benefits paid	(13)	(57)	-	-	-	-	-	-
Less : Acquisition/Divestiture	(4)	(115)	-	-	-	-	-	-
Fair value of plan assets at the end of the year	<u>3,250</u>	<u>2,485</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements *(Continued)*  
for the year ended 30 September 2021  
(Currency: Indian rupees millions)

46 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' : *(Continued)*

(ii) Defined Benefit Plans *(Continued)*

	Gratuity		Pension		Medical		Retirement Gift	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020
<b>III Actual return on plan assets</b>								
Return on plan assets	184	153	-	-	-	-	-	-
Actuarial gain / (loss) on plan assets	191	163	-	-	-	-	-	-
Less : Transferred to discontinued operation	-	(14)	-	-	-	-	-	-
Actual return on plan assets	<u>375</u>	<u>302</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

<b>IV Amount recognised in the Balance Sheet</b>								
Defined benefit obligation at the end of the year	3,040	2,822	281	259	1,736	1,754	87	108
Fair value of plan assets at the end of the year	3,250	2,485	-	-	-	-	-	-
(Surplus)* / Deficit	<u>(210)</u>	<u>337</u>	<u>281</u>	<u>259</u>	<u>1,736</u>	<u>1,754</u>	<u>87</u>	<u>-</u>
Effect Of Asset Ceiling	-	-	-	-	-	-	-	-
Current portion of the above	<u>(210)</u>	<u>337</u>	<u>35</u>	<u>33</u>	<u>67</u>	<u>65</u>	<u>2</u>	<u>1</u>
Non Current portion of the above	-	-	246	226	1,669	1,689	85	107

\* Surplus represents prepaid contribution towards fund

<b>V.a Expenses recognised in the Statement of Profit and Loss</b>								
Net Interest Expense	3	38	16	22	117	80	7	7
Current service cost	255	250	-	-	101	59	10	9
Less : Transferred to discontinued operation	-	(12)	-	-	-	(4)	-	(1)
Expense recognised in statement of profit and loss	<u>258</u>	<u>276</u>	<u>16</u>	<u>22</u>	<u>218</u>	<u>135</u>	<u>17</u>	<u>15</u>

<b>V.b Included in Other Comprehensive Income</b>								
Return on plan assets excluding net interest	(191)	(163)	-	-	-	-	-	-
Net actuarial (gain)/loss recognised	<u>(27)</u>	<u>(52)</u>	<u>41</u>	<u>(2)</u>	<u>(160)</u>	<u>588</u>	<u>(34)</u>	<u>-</u>
Actuarial (gain)/loss recognised in OCI	<u>(218)</u>	<u>(215)</u>	<u>41</u>	<u>(2)</u>	<u>(160)</u>	<u>588</u>	<u>(34)</u>	<u>-</u>

46 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' : (Continued)

(ii) Defined Benefit Plans (Continued)

	Gratuity		Pension		Medical		Retirement Gift	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020
<b>VI Actuarial Assumptions</b>								
Discount Rate	6.92%	6.72%	6.92%	6.72%	6.92%	6.72%	6.92%	6.72%
Attrition rate:								
up to 30 years	9.00%	15.00%	-	-	9.00%	15.00%	9.00%	15.00%
31-50 years	6.00%	3.00%	-	-	6.00%	3.00%	6.00%	3.00%
above 50 years	4.00%	2.00%	-	-	4.00%	2.00%	4.00%	2.00%
Salary Escalation / Pension increase rate / Medical cost increase rate	10% for current year 8% for future year	0% for current year 8% for future year	5.00%	5.00%	5.00%	5.00%	10% for current year 8% for future year	0% for current year 8% for future year

<b>VII Sensitivity</b>								
Change in Liability for 0.5% decrease in discount rate	136	159	8	7	146	161	5	7
Change in Liability for 0.5% increase in discount rate	(127)	(146)	(7)	(7)	(129)	(141)	(4)	(6)
Change in Liability for 0.5% decrease in salary / medical inflation rate	(126)	(133)	(7)	(7)	(113)	(124)	(4)	(6)
Change in Liability for 0.5% increase in salary / medical inflation rate	134	158	7	7	127	141	5	6

<b>VIII Maturity Profile of Defined Benefit Obligation (Undiscounted amount)</b>								
Year 1	-	156	36	34	69	70	2	5
Year 2	-	144	35	33	72	72	6	4
Year 3	-	201	34	32	76	75	5	6
Year 4	-	184	33	31	80	79	5	5
Year 5	-	213	32	29	83	82	6	6
Years 6 to 10	-	1,585	134	118	509	497	56	53

<b>IX Weighted Average Duration of Defined Benefit Obligation</b>								
Duration (Years)	9.00	10.49	6.60	5.80	11.00	14.20	10.50	13.10

# Notes to the Financial Statements *(Continued)*

## for the year ended 30 September 2021

### (Currency: Indian rupees millions)

#### 46 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' : *(Continued)*

##### (ii) Defined Benefit Plans *(Continued)*

- b) The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year 2020-21 and the method of assumption used in preparing sensitivity analysis did not change compared to previous year.
- c) The fund formed by the Company manages the investments of the Gratuity fund. Expected rate of return on investments is determined based on the assessment made by the Company at the beginning of the year on the return expected on its existing portfolio, along with the estimated incremental investments to be made during the year. Yield on portfolio is calculated based on a suitable mark-up over the benchmark Government securities of similar maturities. The Company expects to contribute ₹ 259 (2020: ₹ 399) to gratuity fund in 2021-22.

The investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally it aims to have a portfolio mix of equity instruments and debt instruments to minimize the risk exposed to investment.

- d) The estimates of future salary increases, considered in actuarial valuation, take in to account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- e) The Company has contributed ₹ 574 (2020: ₹ 562) towards provident fund during the year ended 30 September 2021. The said amount is excluding of amounts recognised by discontinued operation. The Guidance note issued by the Institute of Actuaries of India states that benefits involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. The Actuary has accordingly provided a valuation and based on the assumptions provided below there is no shortfall as at 30 September 2021.

The details of the fund and plan asset position as at 30 September are as follows:

	Sept 2021	Sept 2020
Present value of benefit obligation at year end	15,202	14,372
Fair value of plan assets at year end	15,534	14,376
Shortfall / (Surplus)	(332)	(4)
Effect due to Asset Ceiling	332	4

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

	Sept 2021	Sept 2020
Government of India securities (GOI) bond yield	6.92%	6.72%
Remaining term of maturity (in years)	9.00	10.49
Expected guaranteed interest rate	8.50%	8.50%

##### (iii) General descriptions of significant defined plans

###### I Gratuity Plan

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's Scheme whichever is more beneficial. Under the act, employee who has completed five years of service is entitled to the benefit. The level of benefits provided depends on the members length of service and salary at retirement age.

**46 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' : (Continued)**

**(iii) General descriptions of significant defined plans (Continued)**

**II Medical**

Post retirement medical benefit is paid to the retired employees and their spouse till their survival and after their death, benefits are available to the employee's spouse. It consists of 3 components, which is health insurance, Domiciliary medical allowance and Company support in case the expenses incurred are more than the health insurance coverage subject to the ceiling limit as per the grades.

**III Pension**

Pension is paid to management cadre employees of the Company, who retired before March 1998. Pension is paid on monthly basis. In case of death in retirement, 100 percent pension is paid to the spouse for first six months and then 60 percent thereafter.

**IV Retirement Gift**

Retirement gift is paid, as a token of appreciation to the permanent employees who are separating on their retirement or after their long association with the Company.

**(iv) Broad category of Fair value of plan assets & as a percentage of total plan assets of the Gratuity plan**

Particulars (Unquoted)	2021		2020	
	Amount	%	Amount	%
Equity Instruments	106	3.26%	59	2.38%
Debt Instruments	3,144	96.74%	2,426	97.62%
<b>Total Plan Assets</b>	<b>3,250</b>	<b>100.00%</b>	<b>2,485</b>	<b>100.00%</b>

**47 Earnings per share:**

	Sept 2021	Sept 2020
Weighted average number of equity shares outstanding during the year	356,120,255	356,120,255
Profit after tax from continuing operations	10,627	7,574
<b>Basic and diluted earnings per share from continuing operations</b>	<b>29.84</b>	<b>21.27</b>
Profit after tax from discontinued operations	403	(9)
<b>Basic and diluted earnings per share from discontinued operations</b>	<b>1.13</b>	<b>(0.03)</b>
Total Profit for the year	11,030	7,565
<b>Basic and diluted earnings per share from total operations</b>	<b>30.97</b>	<b>21.24</b>

**48 Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006**

The Company has amounts due to suppliers under MSMED as at 30 September. The disclosure pursuant to the said Act is as under:

	Sept 2021	Sept 2020
Principal amount due to suppliers under MSMED Act	1,461	1,393
Interest accrued and due to suppliers under Section 16 of MSMED Act, 2006 on the above amount, unpaid#	*	*
Payment made to suppliers (other than interest) beyond the appointed day during the year	662	4,203
Interest due and payable towards suppliers under MSMED Act towards payments already made	125	148
Interest accrued and remaining unpaid at the end of the accounting year	126	149

The information has been given in respect of such vendors to the extent they could be identified as 'micro and small enterprises' on the basis of information available with the Company

# Interest accrued is considered due upon claim from vendors

\* denotes figures less than a million



# Notes to the Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## 49 Share-based payment transactions

Share matching plan (SMP) and Siemens Stock Awards (SSA) at Siemens Ltd are classified as cash-settled transactions. The employees of the Company are eligible for the Ultimate Holding Company's share awards, i.e. SMP and SSA. Under SMP the employee may invest a specified part of their compensation in the Ultimate Holding Company's shares and at the end of 3 years (vesting period) employee gets one free share for every three shares purchased. Under SSA, the Company grants stock awards of the Ultimate Holding Company's shares to the Chief Executive Officer, Chief Financial Officer, members of senior management and other eligible employees. The vesting period is 4 years, after which the beneficiary gets certain number of shares which is tied to the performance of the employee in case of CEO Special Allocation scheme and performance of Ultimate Holding Company in case of Performance Oriented Siemens Stock Awards. At the end of each reporting period, the Company recognises the fair value of the liability and the expense at each reporting period at the market price of the Ultimate Holding Company's share.

Details of liabilities arising from the share-based payment transactions are as follows:

	Sept 2021	Sept 2020
Other current financial liabilities	208	196
Other non-current financial liabilities	660	387
<b>Total carrying amount of the liabilities</b>	<b>868</b>	<b>583</b>

Effect of Share-based payment transaction on the profit & loss, shown under the head Employee benefit expense is ₹ 579 (2020: ₹371)

## 50 Derivative Instruments

### a) Forward Contracts and Option contracts

The Company uses forward contracts and options to mitigate its risks associated with foreign currency fluctuations having underlying transaction and relating to firm commitments or highly probable forecast transactions. The Company does not enter into any forward and options contracts which are intended for trading or speculative purposes. The forward exchange and options contracts are fair valued at each reporting date with the resultant gains/ losses thereon being recorded in statement of profit and loss.

The details of forward contracts outstanding at the year end are as follows:

Currency	Buy			Sell		
	Number of contracts	Amount	Indian rupees equivalent	Number of contracts	Amount	Indian rupees equivalent
<b>US Dollar</b>						
30 Sept 2021	211	75	5,559	326	181	13,452
30 Sept 2020	257	68	5,002	429	247	18,212
<b>Euro</b>						
30 Sept 2021	437	229	19,681	286	124	10,637
30 Sept 2020	587	183	15,851	401	173	14,923
<b>Qatari Riyal</b>						
30 Sept 2021	3	3	58	1	8	152
30 Sept 2020	3	1	10	6	37	753
<b>Pound Sterling</b>						
30 Sept 2021	16	8	780	5	2	210
30 Sept 2020	18	6	615	4	2	144
<b>Swedish Krona</b>						
30 Sept 2021	7	19	162	1	2	19
30 Sept 2020	17	19	154	-	-	-
<b>Chinese Yuan</b>						
30 Sept 2021	50	83	957	1	*	4
30 Sept 2020	69	59	639	1	1	6

\* denotes figures less than a million

## 50 Derivative Instruments (Continued)

### b) Significant unhedged exposures in various foreign currencies as at the year end:

#### Payables

	Foreign currency		Indian rupees	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020
Bangladesh Taka	142	126	124	110
Sri Lankan Rupee	410	447	153	178
Singapore Dollar	1	*	63	41

#### Receivables and bank balances

	Foreign currency		Indian rupees	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020
Bangladesh Taka	234	144	203	126
Sri Lankan Rupee	490	409	182	163
Nepalese Rupee	64	18	40	12
United States Dollar	1	1	100	81

The forward contracts have been converted in Indian rupees, at the spot rates, as at 30 September 2021 to facilitate reading purposes only.

The Company has a policy of hedging its foreign currency exposure on a net basis.

### c) Commodity Contracts

The Company uses Commodity Future Contracts to hedge against fluctuation in commodity prices. The following are outstanding future contracts entered into by the Company as at the year end.

Year	Commodity	Number of Contracts	Buy / Sell
Sept 2021	Copper	1,593	Buy
	Aluminium	271	Buy
	Silver	132	Buy
Sept 2020	Copper	1,365	Buy
	Aluminium	194	Buy
	Silver	74	Buy

**Note:** Each contract of copper is of 2,500 kg, Aluminium is of 5,000 kg and silver is of 30 kg.

\* denotes figures less than a million

## 51 Capital Management

For the purpose of the Company's capital management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the shareholders and makes adjustments to it in light of changes in economic conditions or its business requirements. The Company's objectives are to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company funds its operations through internal accruals. The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

# Notes to the Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## 52 Financial Instruments

### A) Accounting Classifications and Fair Values

#### i) Category-wise classification for applicable financial assets:

Particulars	Notes	Carrying value / Fair value	
		Sept 2021	Sept 2020
<b>I. Measured at fair value through Profit or Loss (FVTPL):</b>			
(a) Derivative contracts not designated as cash flow hedges	9 & 18	500	505
<b>Total I</b>		<b>500</b>	<b>505</b>
<b>II. Measured at amortised cost:</b>			
(a) Trade Receivables	7 & 14	35,260	32,063
(b) Loans	8 & 17	8,183	7,783
(c) Cash and cash equivalents and other bank balances	15 & 16	48,488	55,517
(d) Other assets (excluding derivative contracts)	9 & 18	3,934	2,538
<b>Total II</b>		<b>95,865</b>	<b>97,901</b>
<b>III. Measured at fair value through Other Comprehensive Income (FVTOCI):</b>			
(a) Derivative contracts designated as cash flow hedges	18	57	150
<b>Total III</b>		<b>57</b>	<b>150</b>
<b>Total (I+II+III)</b>		<b>96,422</b>	<b>98,556</b>

#### ii) Category-wise classification for applicable financial liabilities:

Particulars	Notes	Sept 2021	Sept 2020
<b>I. Measured at fair value through Profit or Loss (FVTPL):</b>			
(a) Derivative contracts not designated as cash flow hedges	24 & 28	591	344
(b) Liabilities related to share based payments	24 & 28	868	584
(c) Lease liabilities		1,938	2,057
<b>Total I</b>		<b>3,397</b>	<b>2,985</b>
<b>II. Measured at amortised cost:</b>			
(a) Trade payables		35,055	27,890
(b) Other liabilities (excluding derivative contracts)	24 & 28	5,130	2,058
<b>Total II</b>		<b>40,185</b>	<b>29,948</b>
<b>III. Measured at fair value through Other Comprehensive Income (FVTOCI):</b>			
(a) Derivative contracts designated as cash flow hedges	28	75	15
<b>Total III</b>		<b>75</b>	<b>15</b>
<b>Total (I+II+III)</b>		<b>43,657</b>	<b>32,948</b>

The carrying amounts of financial instruments such as cash and cash equivalents, other bank balances, short term loans, trade receivables, trade payables, current security deposits and other current financial assets and liabilities (except derivative financial instrument those being measured at fair value through other comprehensive income) are considered to be same as their fair values due to their short term nature.

## 52 Financial Instruments (Continued)

### B) Fair Value Hierarchy

The following table provides fair value measurement hierarchy of financial instruments as referred in note (A) above:

#### Quantitative disclosures fair value measurement hierarchy as at 30 September 2021:

	Level 1	Level 2	Level 3	Total
<b>Assets at Fair value</b>				
<b>i) Fair values through profit and loss</b>				
(a) Derivative contracts not designated as cash flow hedges	-	500	-	<b>500</b>
<b>ii) Fair value through Other Comprehensive Income</b>				
(a) Derivative contracts designated as cash flow hedges	-	57	-	<b>57</b>
<b>Liabilities at Fair value</b>				
<b>i) Fair values through profit and loss</b>				
(a) Derivative contracts not designated as cash flow hedges	-	592	-	<b>592</b>
(b) Liabilities related to share based payments	-	868	-	<b>868</b>
<b>ii) Fair value through Other Comprehensive Income</b>				
(a) Derivative contracts designated as cash flow hedges	-	75	-	<b>75</b>

#### Quantitative disclosures fair value measurement hierarchy as at 30 September 2020:

	Level 1	Level 2	Level 3	Total
<b>Assets at Fair value</b>				
<b>i) Fair values through profit and loss</b>				
(a) Derivative contracts not designated as cash flow hedges	-	505	-	<b>505</b>
<b>ii) Fair value through Other Comprehensive Income</b>				
(a) Derivative contracts designated as cash flow hedges	-	150	-	<b>150</b>
<b>Liabilities at Fair value</b>				
<b>i) Fair values through profit and loss</b>				
(a) Derivative contracts not designated as cash flow hedges	-	344	-	<b>344</b>
(b) Liabilities related to share based payments	-	584	-	<b>584</b>
<b>ii) Fair value through Other Comprehensive Income</b>				
(a) Derivative contracts designated as cash flow hedges	-	15	-	<b>15</b>

The Company enters into foreign exchange forward contracts, which are valued using valuation techniques that employs the use of market observable inputs.

There have been no transfers between Level 1 and Level 2 during the period.

# Notes to the Financial Statements *(Continued)*

## for the year ended 30 September 2021

### (Currency: Indian rupees millions)

#### 53 Financial Risk Management

The Company's principal financial liabilities comprise of trade payable, security deposits and other financial liabilities. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and other financial assets that arise from its operations. The Company also enters into hedging transactions to cover foreign exchange exposure risk. The Company's operating business is exposed to market risk, credit risk and liquidity risk. In order to optimize the allocation of the financial resources across the segments, as well as to achieve its aims, the Company identifies, analyses and manages the associated market risks. The Company seeks to manage and control these risks primarily through its regular operating activities and uses derivative financial instruments when deemed appropriate. All derivative activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. The Company has a Risk Management Committee, which ensures that the Company's financial risk taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and mitigated in accordance with the Company's policies and overall risk appetite.

#### A Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk and interest rate risk. Financial instrument affected by market risks includes deposits, derivative financial instruments, trade receivables, trade payables and other financials assets.

#### Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes on foreign exchange rate. The Company operates internationally and transacts in several currencies and has foreign currency trade receivables and trade payables. Hence, the Company is exposed to foreign exchange risk. The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

#### Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in major currencies like US Dollar and Euro with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	Effect on profit before tax		Effect on equity (net of tax)		
		Sept 2021	Sept 2020	Sept 2021	Sept 2020
US Dollar	+ 5%	509	507	*	-
	- 5%	(509)	(507)	*	-
Euro	+ 5%	123	188	*	-
	- 5%	(123)	(188)	*	-

\* denotes figure less than million

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Consequently, could have unforeseen impact on Company's cost of borrowing or returns thus impacting the profit and loss. The Company does not have any borrowings. Surplus funds are invested in deposits at fixed interest rates. The tenure of the deposits is managed to match with the liquidity profile of the Company.

#### B Credit risk

Credit risk is defined as an unexpected loss in financial instruments if the contractual partner is failing to discharge its obligations in full and on time. The Company is exposed to credit risk from its operating and financing activities like trade receivables, deposits with banks, foreign exchange transactions and other financial instruments.

## 53 Financial Risk Management (Continued)

### Receivables

The major exposure to credit risk at the reporting date is primarily from receivables comprising of trade and project unbilled receivables (net).

Credit risk on receivables is limited due to the Company's large and diverse customer base which includes public sector enterprises, state owned companies and private corporates. The effective monitoring and controlling of credit risk through credit evaluations and ratings is a core competency of the Company's risk management system.

For receivables, as a practical expedient, the Company computes expected credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The ECL is calculated on rating and default probability percentage arrived from the historic default trend. In order to determine the default probability percentage, a simple average of customer wise specific allowances or actual bad debts incurred in succeeding year (derived rates) (whichever is higher) for the preceding three years is considered as a percentage of gross receivables positions for each grading i.e. rating and division of each customer as at reporting date.

The reconciliation of ECL is as follows:

Particulars	Sept 2021	Sept 2020
Balance at the beginning of the year	1,806	1,903
Loss allowance based on ECL	(361)	(97)
Balance at the year end	1,445	1,806

### Other financial assets

Credit risk from cash and cash equivalents, term deposits and derivative financial instruments is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds, temporarily, are made only with approved counter parties and within credit limits assigned to each counterparty. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

## C Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company regularly monitors the rolling forecasts and actual cashflows, to ensure it has sufficient funds to meet the operational needs.

The table below summarise the maturity profile of the Company's financial liabilities based on contractually agreed undiscounted cash flows :

Particulars	Notes	Total	Payable within 1 year	More than 1 year
<b>As at 30 Sept 2021</b>				
Trade Payables		35,056	34,668	388
Derivative contracts	24 & 28	666	590	76
Other financial liabilities	24 & 28	5,998	3,338	2,660
		<b>41,720</b>	<b>38,596</b>	<b>3,124</b>
Lease Liability	43	2,197	672	1,525
		<b>43,917</b>	<b>39,268</b>	<b>4,649</b>
<b>As at 30 Sept 2020</b>				
Trade Payables		27,890	27,733	157
Derivative contracts	24 & 28	359	330	29
Other financial liabilities	24 & 28	2,641	2,254	387
		<b>30,890</b>	<b>30,317</b>	<b>573</b>
Lease Liabilities	43	2,349	864	1,485
		<b>33,239</b>	<b>31,181</b>	<b>2,058</b>

## Notes to the Financial Statements *(Continued)* for the year ended 30 September 2021 (Currency: Indian rupees millions)

### 54 Discontinued operations

On 1 January 2021, the Company divested its Mechanical Drives (MD) business as a going concern on a slump sale basis to Flender Drives Private Limited for a final consideration of ₹ 3,759 million (after adjusting the consideration of ₹ 4,400 million for changes in net current assets and capital expenditure as per the terms and conditions agreed between the parties). The gain on the sale transaction is ₹ 487 million for the year ended 30 September 2021. The tax expense on this transaction is ₹ 362 million (including write-off of deferred tax assets of ₹ 302 million) for the year ended 30 September 2021.

Revenue, expenses and net cash flows relating to discontinued operations is as follows:

Income	Sept 2021	Sept 2020
Revenue from operations	1,414	6,713
Other Income	*	2
<b>Total income</b>	<b>1,414</b>	<b>6,715</b>
<b>Expenses</b>		
Cost of materials consumed	994	3,859
Purchases of stock-in-trade	60	268
Decrease/(increase) in inventories of finished goods, work-in-progress and traded goods	(228)	601
Project bought outs and other direct costs	21	204
Employee benefits expense (refer note 56)	127	609
Finance costs	*	4
Depreciation and amortisation expense (refer note 56)	-	205
Other expenses (refer note 56)	68	978
<b>Total expenses</b>	<b>1,042</b>	<b>6,728</b>
<b>Profit/(loss) before tax</b>	<b>372</b>	<b>(13)</b>
Gain from sale of discontinued operations	487	-
Tax credit/(expense)	(456)	4
<b>Profit/(loss) after tax</b>	<b>403</b>	<b>(9)</b>
Net cash used in operating activities	885	(68)
Net cash used in investing activities	(49)	(148)
Net cash used in financing activities	(3)	(1)

\* denotes figures less than a million

- 55 On 1 March 2021, the Company acquired 99.22% equity share capital of C&S Electric Limited from its promoters for a preliminary sale share consideration of ₹ 21,588 million, payable in cash, on cash free/debt free basis on terms and conditions that are mutually agreed between the parties to the transaction. From the aforesaid consideration, ₹ 2,000 million is currently retained by the Company as a holdback for a period of 2 years from the date of acquisition. Considering post Closing amendments to the Share Purchase Agreement, the investment value is ₹ 21,570 million as on 30 September 2021.

- 56 During the previous year, the Company's operations and financial results were adversely impacted by the lockdown imposed to contain the spread of Coronavirus (COVID-19) since last week of March 2020. The operations gradually resumed with requisite precautions during the quarter ended 30 June 2020 with limited availability of workforce and disrupted supply chain. Consequently, the results for year ended 30 September 2020 were affected. Further, during the current year, the operations for the year ended 30 September 2021 were impacted due to the second wave of COVID-19. The expenses incurred during shutdown and partial shutdown in respect of factories and project sites for continuing operations and discontinued operations were as under:

	Continuing operations		Discontinued operations	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020
i) Employee benefits expense	171	1,689	-	153
ii) Depreciation and amortization expense	25	609	-	81
iii) Other expenses	66	549	-	101
	<u>262</u>	<u>2,847</u>	<u>-</u>	<u>335</u>

- 57 Detailed disclosures pertaining to expenditure on Corporate Social Responsibilities activities are provided in Director's Report.
58. The Company has executed a Power Purchase Agreement and entered into a Share Subscription and Shareholders Agreement on 22 October 2021, for the subscription of 26% of the paid-up equity share capital of Sunsole Renewables Private Limited, subject to fulfillment of conditions precedent as agreed between the parties.

As per our report of even date

**For B S R & Co. LLP**

Chartered Accountants  
ICAI Firm Registration Number:- 101248W/W-100022

**Farhad Bamji**  
Partner  
Membership No: 105234

Mumbai  
Date: 24 November 2021

**For and on behalf of the Board of Directors of Siemens Limited**

**Deepak S. Parekh**  
Chairman  
DIN: 00009078

**Mehernosh B. Kapadia**  
Director and Chairman of  
Audit Committee  
DIN: 00046612

Mumbai  
Date: 24 November 2021

**Sunil Mathur**  
Managing Director  
and Chief Executive  
Officer  
DIN: 02261944

**Ketan Thaker**  
Company Secretary  
ACS No:16250

**Daniel Spindler**  
Executive Director  
and Chief Financial  
Officer  
DIN: 08533833



# INDEPENDENT AUDITORS' REPORT

## Siemens Limited

### Report on the Audit of Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of Siemens Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 30 September 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 30 September 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters	
Revenue recognition on Construction Contracts	How the matter was addressed in our audit
<p>A significant portion of the Group's business is from construction contracts, where revenue is recognised under the percentage-of-completion method. This is based on the percentage of costs incurred to date compared to the total estimated contract costs. (Refer note 32 and 41 to the consolidated financial statements). We identified revenue recognition on construction contracts as a key audit matter, since: -</p> <ul style="list-style-type: none"> <li>• There is an inherent risk and presumed risk of fraud around the existence and valuation of revenues recognised considering the customized and complex nature of these contracts and significant inputs of IT systems.</li> <li>• Application of Ind AS 115 Revenue from Contracts with customers is complex and involves a number of significant judgements and estimates. These relate to identifying performance obligations, transaction price, estimating the balance cost-to-complete the contract and determining the percentage of completion of the relevant performance obligation.</li> <li>• These contracts may involve onerous obligations which require critical assessment of provision for foreseeable losses to be made by the Group.</li> </ul>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the Group's systems, processes, policies and controls for construction contracts.</li> <li>• Obtained an understanding of business processes specific to construction contracts, from its initiation through presentation in the consolidated financial statements and tested the operating effectiveness of key controls over these processes.</li> <li>• Evaluated the Group's estimates and assumptions based on risk-based selection of sample contracts. Our audit procedures covered, among others, test of the contracts including terms and conditions, termination rights, penalties for delay and breach of contract as well as liquidated damages.</li> <li>• Evaluated revenues recognised for the selected projects, analysed billable revenues and cost of sales to be recognised in the statement of profit and loss to the extent of progress towards completion.</li> <li>• Performed inquiries with respect to the development of the budgeted project costs, deviations between planned and actual costs, the estimated costs to complete, and Group's assessments on probabilities related to contract risks.</li> </ul>

# INDEPENDENT AUDITORS' REPORT *(Continued)*

## Siemens Limited

### Key Audit Matters *(Continued)*

Description of Key Audit Matters	
<p><b>Revenue recognition on Construction Contracts</b></p> <ul style="list-style-type: none"> <li>At year-end, a significant amount of work- in-progress (contract assets) related to these contracts is recognised on the balance sheet.</li> </ul>	<p><b>How the matter was addressed in our audit</b></p> <ul style="list-style-type: none"> <li>Performed a retrospective analysis of costs incurred with planned costs to identify significant variations and if these are considered in estimating the balance costs to complete the contracts.</li> <li>We involved our Information Technology (IT) specialists to assess the design and operating effectiveness and testing of: <ul style="list-style-type: none"> <li>IT environment in which the business systems operate, including access controls, program change controls, program development controls and IT operation controls over computation of revenue recognised.</li> <li>IT controls for accuracy and completeness of cost and revenue reports generated by the IT system.</li> <li>Access and application controls on allocation of resources and budgeting systems.</li> </ul> </li> </ul>
<p><b>Revenue recognition on Sale of Products</b></p> <p>The Group recognises revenue from the sales of products when control over goods is transferred to the customer based on specific terms and conditions of sale contracts with respective customers. (Refer note 32 and 41 of the consolidated financial statements).</p> <p>We have identified recognition of revenue on sale of products as a key audit matter as –</p> <ul style="list-style-type: none"> <li>revenue is a key performance indicator; and</li> <li>there is a presumed fraud risk of revenue being overstated through manipulation of the timing of transfer of control due to pressures to achieve performance targets as well as meeting external expectations.</li> </ul>	<p><b>How the matter was addressed in our audit</b></p> <p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the appropriateness of the policies in respect of revenue recognition by comparing with applicable accounting standards.</li> <li>Performed testing of design, implementation and operating effectiveness of the Holding Company's general Information Technology (IT) controls over revenue recognition and key IT application controls by involving our IT specialists.</li> <li>Performed testing of design, implementation and operating effectiveness of the Holding Company's key manual controls around revenue recognition.</li> <li>Performed substantive testing of recognition of revenue in the correct period by selecting statistical samples of revenue transactions recorded during and at the end of the financial year.</li> <li>Examined the underlying documents such as sales invoices/ contracts and dispatch/ shipping documents for the selected transactions.</li> <li>Assessed manual journals posted in revenue ledger to identify any unusual items.</li> </ul>
<p><b>Business Combination</b></p> <p>On 1 March 2021, the Holding Company acquired 99.22% stake in C&amp;S Electric Limited for a consideration of INR 21,588 million. (Refer note 54 to the consolidated financial statements).</p> <p>As required under Ind AS 103 Business Combinations, the assets and liabilities acquired were recognized at fair value on the date of acquisition. Provisional goodwill has been determined as a difference between the purchase consideration and fair value of net assets acquired (net of related tax impact) and adjusted for the share of non-controlling interest.</p>	<p><b>How the matter was addressed in our audit</b></p> <p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>Examined the documents pertaining to the acquisition to understand the key terms and conditions.</li> <li>Assessed the competence, capabilities and objectivity of the valuation expert engaged by the Holding Company.</li> <li>Gained an understanding of the work of the expert by verifying the valuation report on the preliminary purchase price allocation.</li> <li>Involved our valuation specialists to assess the appropriateness of the methodology applied and key assumptions used in determining the fair value of identifiable assets and liabilities.</li> </ul>

# INDEPENDENT AUDITORS' REPORT *(Continued)*

## Siemens Limited

### Key Audit Matters *(Continued)*

Description of Key Audit Matters	
Business Combination	How the matter was addressed in our audit
<p>We have assessed the accounting for acquisition as a key audit matter due to the following:</p> <ul style="list-style-type: none"> <li>There is significant judgement used and complexity involved in determining the fair value identifiable assets and liabilities acquired. The allocation of purchase consideration between the asset/ liability classes, if performed inaccurately, could lead to a significant misstatement.</li> </ul>	<ul style="list-style-type: none"> <li>Performed testing of design, implementation and operating effectiveness of the Holding Company's controls around Business Combination.</li> <li>Verified the accounting treatment adopted in respect of the acquisition date accounting.</li> <li>Verified the adequacy of the disclosures in respect of the consolidation in accordance with Ind AS 103, Business Combinations.</li> </ul>

#### Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company and for preventing and detecting frauds and other irregularities; the selection and application

of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paras (a) and (b) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matters

- a) We did not audit the financial statements of one subsidiary whose financial statements reflect total assets (before consolidation adjustments) of ₹ 3,004 million as at 30 September 2021, total revenues (before consolidation adjustments) of ₹ 1,130 million and net cash outflows of ₹ 260 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the audit report of the other auditor.
- b) Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

## Report on Other Legal and Regulatory Requirements

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiary as was audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for

the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Holding Company as on 30 September 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on 30 September 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary as noted in the 'Other Matters' paragraph:
    - i. The consolidated financial statements disclose the impact of pending litigations as at 30 September 2021 on the consolidated financial position of the Group. Refer Note 38(b) to the consolidated financial statements.
    - ii. Provisions have been made in the consolidated financial statements, as required under the applicable law or Ind AS, for any material foreseeable losses on long term contracts including derivative contracts during the year ended 30 September 2021. Refer Note 40 and 49 to the consolidated financial statements.
    - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiaries during the year ended 30 September 2021.
    - iv. The disclosures in the consolidated financial statements regarding holdings as well as

dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended 30 September 2021.

- C. With respect to the matter to be included in the Audit Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the report of the statutory auditor of such subsidiary Company which was not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiaries to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries is not in excess of the limit laid down under

Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

**Farhad Bamji**

*Partner*

Membership No: 105234

UDIN: 21105234AAAACE5184

Place of Signature: Mumbai

Date: 24 November 2021

# Annexure A to the Independent Auditor's Report on the consolidated financial statements of Siemens Limited for the year ended 30 September 2021

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

## Opinion

In conjunction with our audit of the consolidated financial statements of Siemens Limited ('the Holding Company') as of and for the year ended 30 September 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries, as of that date.

In our opinion, the Holding Company and its subsidiaries, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 30 September 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by the such companies considering the essential components of such internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

## Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

## Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the consolidated financial statements. Those Standards and the Guidance Note require that we comply

with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditor of the relevant subsidiary in terms of their report referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

## Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A Company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial Controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the Internal financial

controls with reference to consolidated financial statements insofar as it relates to one subsidiary, incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

### **For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

### **Farhad Bamji**

*Partner*

Membership No: 105234

UDIN: 21105234AAAACE5184

Place of Signature: Mumbai

Date: 24 November 2021



# Consolidated Balance Sheet as at 30 September 2021 (Currency: Indian rupees millions)

	Notes	Sept 2021	Sept 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	10,218	9,784
Capital work-in-progress		338	880
Right-of-Use assets	42	2,821	1,887
Investment property	4	972	1
Goodwill	54	11,732	282
Other intangible assets	5	6,305	7
Intangible assets under development	5	12	-
Financial assets			
- Trade receivables	6	908	824
- Loans	7	2,125	5,060
- Other financial assets	8	2,569	457
Deferred tax assets (net)	9	473	2,524
Income tax assets (net)	10	6,604	6,640
Other non-current assets	11	2,977	3,096
		<u>48,054</u>	<u>31,442</u>
<b>Current assets</b>			
Inventories	12	17,969	11,152
Financial assets			
- Trade receivables	13	36,830	31,402
- Cash and cash equivalents	14	4,484	19,174
- Bank balances other than cash and cash equivalents	15	47,107	37,922
- Loans	16	6,060	2,722
- Other financial assets	17	2,077	2,751
Contract assets	18	13,323	13,300
Other current assets	19	3,672	2,812
		<u>131,522</u>	<u>121,235</u>
Asset classified as held for sale	55	-	5,925
<b>TOTAL</b>		<u><u>179,576</u></u>	<u><u>158,602</u></u>

# Consolidated Balance Sheet as at 30 September 2021 *(Continued)* (Currency: Indian rupees millions)

	Notes	Sept 2021	Sept 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	20	712	712
Other equity	21	102,778	94,208
<b>Equity attributable to Shareholders of the Company</b>		<b>103,490</b>	<b>94,920</b>
<b>Non-controlling interest</b>	53	<b>81</b>	-
<b>Total Equity</b>		<b>103,571</b>	<b>94,920</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Lease Liabilities		1,551	1,213
- Trade payables			
Total outstanding dues of creditors other than micro and small enterprises		388	157
- Other financial liabilities	23	2,778	416
Long term provisions	24	3,412	3,277
Other non-current liabilities	25	31	31
		<b>8,160</b>	<b>5,094</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	26	25	-
- Lease Liabilities		627	871
- Trade payables			
Total outstanding dues of micro and small enterprises	47	1,738	1,429
Total outstanding dues of creditors other than micro and small enterprises		34,977	26,442
- Other financial liabilities	27	4,241	2,589
Contract liabilities	28	14,596	15,118
Other current liabilities	29	1,554	1,287
Short term provisions	30	9,669	8,735
Current tax liabilities (Net)	31	418	130
		<b>67,845</b>	<b>56,601</b>
Liabilities classified as held for sale	55	-	1,987
<b>TOTAL</b>		<b>179,576</b>	<b>158,602</b>
<b>Significant accounting policies</b>	1		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

**For B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number:- 101248W/W-100022

**For and on behalf of the Board of Directors of Siemens Limited**

**Deepak S. Parekh**

Chairman  
DIN: 00009078

**Sunil Mathur**

Managing Director  
and Chief Executive  
Officer  
DIN: 02261944

**Daniel Spindler**

Executive Director  
and Chief Financial  
Officer  
DIN: 08533833

**Farhad Bamji**

Partner  
Membership No: 105234

**Mehernosh B. Kapadia**

Director and Chairman of  
Audit Committee  
DIN: 00046612

**Ketan Thaker**

Company Secretary  
ACS No. 16250

Mumbai

Date: 24 November 2021

Mumbai

Date: 24 November 2021

# Consolidated Statement of Profit and Loss for the year ended 30 September 2021 (Currency: Indian rupees millions)

	Notes	Sept 2021	Sept 2020
<b>Income</b>			
Revenue from operations	32	136,392	99,465
Other income	33	2,265	3,149
<b>Total income</b>		<b>138,657</b>	<b>102,614</b>
<b>Expenses</b>			
Cost of materials consumed		28,874	17,762
Purchases of stock-in-trade		39,114	21,637
Changes in inventories of finished goods, work-in-progress and stock-in-trade		(3,025)	1,054
Project bought outs and other direct costs	34	28,154	23,171
Employee benefits expense	35 & 56	16,917	15,465
Finance costs	36	246	295
Depreciation and amortisation expense	3, 4, 5, 42 & 56	3,005	2,521
Other expenses	37 & 56	11,173	10,340
<b>Total expenses</b>		<b>124,458</b>	<b>92,245</b>
<b>Profit before tax</b>		<b>14,199</b>	<b>10,369</b>
<b>Tax expense</b>			
Current tax	9	(3,880)	(2,722)
Deferred tax credit /(expense)	9	182	48
<b>Total tax expense</b>		<b>(3,698)</b>	<b>(2,674)</b>
<b>Profit after tax from continuing operations</b>		<b>10,501</b>	<b>7,695</b>
<b>Discontinued operations</b>			
Profit / (Loss) before tax from discontinued operations	55	372	(13)
Gain from sale of discontinued operations		487	-
Tax credit /(expense) on discontinued operations		(456)	4
<b>Profit / (Loss) after tax from discontinued operations</b>		<b>403</b>	<b>(9)</b>
<b>Profit for the year</b>		<b>10,904</b>	<b>7,686</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement gains /(losses) on defined benefit plans		367	(370)
Income tax effect		(92)	93
<b>Items that will be reclassified to profit or loss</b>			
Fair value changes on derivative designated as cash flow hedge reserve, net		(5)	149
Income tax effect		1	(38)
<b>Total other comprehensive income for the year, net of tax</b>		<b>271</b>	<b>(166)</b>
<b>Total comprehensive income for the year (Comprising profit and other comprehensive income for the year)</b>		<b>11,175</b>	<b>7,520</b>

# Consolidated Statement of Profit and Loss for the year ended 30 September 2021 *(Continued)* (Currency: Indian rupees millions)

	Notes	Sept 2021	Sept 2020
<b>Profit for the period attributable to:</b>			
- Owners of the Company		10,903	7,686
- Non controlling interest		1	-
<b>Other comprehensive income attributable to:</b>			
- Owners of the Company		271	(166)
- Non controlling interest		*	-
<b>Total comprehensive income (including other comprehensive income) attributable to:</b>			
- Owners of the Company		11,174	7,520
- Non controlling interest		1	-
<b>Basic and diluted earnings per share (in ₹)</b>	46		
(Equity shares of face value of ₹ 2 each)			
(i) Earnings per share from continuing operations		29.49	21.62
(ii) Earnings per share from discontinued operations		1.13	(0.03)
(iii) Earnings per share from total operations		30.62	21.59

\* denotes figures less than a million

## Significant accounting policies

1

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

**For B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number:- 101248W/W-100022

**For and on behalf of the Board of Directors of Siemens Limited**

**Deepak S. Parekh**

Chairman  
DIN: 00009078

**Sunil Mathur**

Managing Director  
and Chief Executive  
Officer  
DIN: 02261944

**Daniel Spindler**

Executive Director  
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DIN: 08533833

**Farhad Bamji**

Partner

Membership No: 105234

**Mehernosh B. Kapadia**

Director and Chairman of  
Audit Committee  
DIN: 00046612

**Ketan Thaker**

Company Secretary  
ACS No. 16250

Mumbai

Date: 24 November 2021

Mumbai

Date: 24 November 2021

# Consolidated Cash Flow Statement for the year ended 30 September 2021 (Currency: Indian rupees millions)

	Notes	Sept 2021	Sept 2020
<b><u>Cash flow from operating activities</u></b>			
Profit before tax from continuing operations		14,199	10,369
Profit / (Loss) before tax from discontinued operations		859	(13)
<b>Adjustments for:</b>			
Finance costs	36	246	295
Bad debts	37	76	150
Provision for doubtful debts / advances, net	37	(184)	352
Provision for fixed deposit	37	-	2
Depreciation and amortisation expense	3, 4, 5 & 42	3,005	2,521
(Profit) / loss on sale of assets, net	33	(24)	(2)
Profit on sale of Mechanical Drives (MD) business		(487)	-
Liabilities written back	32	(154)	(137)
Unrealised exchange loss / (gain), net		144	724
Interest income	33	(2,063)	(2,965)
<b>Operating profit before working capital changes</b>		<b>15,617</b>	<b>11,296</b>
<b>Working capital adjustments</b>			
(Increase) / decrease in inventories		(4,756)	44
(Increase) / decrease in trade and other receivables		(1,626)	846
Increase / (decrease) in trade payables and other liabilities		7,749	(1,843)
Increase / (decrease) in provisions		972	(142)
<b>Net change in working capital</b>		<b>2,339</b>	<b>(1,095)</b>
<b>Cash generated from operations</b>		<b>17,956</b>	<b>10,201</b>
Direct taxes paid, net		(3,735)	(3,004)
<b>Net cash generated from operating activities</b>		<b>14,221</b>	<b>7,197</b>
<b><u>Cash flow from investing activities</u></b>			
Purchase of property, plant and equipment and investment property		(1,177)	(180)
Proceeds from sale of property, plant and equipments and investment property		103	78
Proceeds from sale of Mechanical Drives (MD) business		3,759	-
Payment made towards acquisition of C&S Electric Ltd. (net of cash acquired on account of acquisition ₹ 2,155)	54	(17,433)	-
Interest received		2,095	3,114
Inter corporate deposits given		(4,720)	(7,752)
Refund of inter corporate deposits		4,340	8,482
Deposits (with original maturity of more than 3 months) with banks matured / (placed)		(10,911)	4,967
Sale of investments		51	-
<b>Net cash generated from / (used) from investing activities</b>		<b>(23,893)</b>	<b>8,709</b>

# Consolidated Cash Flow Statement (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

	Sept 2021	Sept 2020
<b><u>Cash flow from financing activities</u></b>		
Interest paid	(140)	(130)
Payment of principal of lease liabilities	(568)	(550)
Payment of interest of lease liabilities	(122)	(175)
Dividend paid (including tax thereon)	(2,493)	(3,005)
Repayment of borrowings	(1,720)	-
Proceeds from short-term borrowings	25	-
<b>Net cash used in financing activities</b>	<b>(5,018)</b>	<b>(3,860)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(14,690)</b>	12,046
<b>Cash and cash equivalents at beginning of the year</b>	<b>19,174</b>	7,125
<b>Effect of exchange gain / (loss) on cash and cash equivalents</b>	<b>-</b>	<b>3</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>4,484</b>	<b>19,174</b>
	14	
<b>Cash and cash equivalents at the end of the year includes:</b>		
Balances with banks	4,369	18,693
Cash on hand	1	*
Cheques / drafts on hand	114	481
	<b>4,484</b>	<b>19,174</b>

## Changes in liabilities arising from financing activities:

The changes in liabilities arising from financing activities is on account of cash flow changes only and there are no non-cash changes.

The above Cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 - Statement of Cash Flows.

\* denotes figures less than a million

## Significant accounting policies

1

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

**For B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number:- 101248W/W-100022

**For and on behalf of the Board of Directors of Siemens Limited**

**Deepak S. Parekh**  
Chairman  
DIN: 00009078

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Managing Director  
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**Farhad Bamji**  
Partner  
Membership No: 105234

**Mehernosh B. Kapadia**  
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Audit Committee  
DIN: 00046612

**Ketan Thaker**  
Company Secretary  
ACS No. 16250

Mumbai  
Date: 24 November 2021

Mumbai  
Date: 24 November 2021

# Consolidated Statement of Changes in Equity as at 30 September 2021 (Currency: Indian rupees millions)

## A Equity share capital

Particulars	Amount
As at 30 September 2019	712
Changes in equity share capital	-
As at 30 September 2020	712
Changes in equity share capital	-
As at 30 September 2021	712

## B Other equity

Particulars							Other comprehensive	Attributable to Owners of the Company	Attributable to Non Controlling Interest	Total	
	Capital reserve	Securities premium	Amalgamation reserve	Capital redemption reserve	General reserve	Retained earnings	Cash flow hedging reserve				
<b>Balance as at 30 September 2019</b>	538	1,567	56	*	31,503	56,088	17	89,782	-	89,782	**
Impact of IND AS 116	-	-	-	-	-	(72)	-	(72)	-	(72)	
<b>Restated balance as at 1 October 2019</b>	538	1,567	56	*	31,503	56,016	17	89,710	-	89,710	
Profit for the year	-	-	-	-	-	7,686	(17)	7,669	-	7,669	
Other comprehensive income (net of tax)	-	-	-	-	-	(277)	111	(166)	-	(166)	
Total comprehensive income for the year	-	-	-	-	-	7,409	94	7,503	-	7,503	
Dividend paid	-	-	-	-	-	(2,493)	-	(2,493)	-	(2,493)	
Tax on dividend paid	-	-	-	-	-	(512)	-	(512)	-	(512)	
<b>Balance as at 30 September 2020</b>	538	1,567	56	*	31,503	60,420	111	94,208	-	94,208	**
Non-controlling interest on acquisition during the period (refer note 54)	-	-	-	-	-	-	-	-	80	80	
Profit for the year	-	-	-	-	-	10,903	(111)	10,792	1	10,793	
Other comprehensive income (net of tax)	-	-	-	-	-	275	(4)	271	*	271	
Total comprehensive income for the year	-	-	-	-	-	11,178	(115)	11,063	1	11,064	
Dividend paid	-	-	-	-	-	(2,493)	-	(2,493)	-	(2,493)	
<b>Balance as at 30 September 2021</b>	538	1,567	56	*	31,503	69,105	(4)	102,778	81	102,859	**

\* denotes figures less than a million

\*\* Transferred to exchange loss / (gains) in Statement of Profit & Loss

### Significant accounting policies

1

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

#### For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration Number:- 101248W/W-100022

#### Farhad Bamji

Partner

Membership No: 105234

Mumbai

Date: 24 November 2021

#### For and on behalf of the Board of Directors of Siemens Limited

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#### Mehernosh B. Kapadia

Director and Chairman of  
Audit Committee

DIN: 00046612

Mumbai

Date: 24 November 2021

#### Ketan Thaker

Company Secretary

ACS No:16250

# Notes to the Consolidated Financial Statements for the year ended 30 September 2021 (Currency: Indian rupees millions)

## Corporate information

Siemens Limited (“The Company”) is a public company domiciled in India with its registered office at Birla Aurora, Level 21, Plot No. 1080 Dr. Annie Besant Road, Worli Mumbai – 400030. The Company is listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

The Group offers products, integrated solutions for industrial applications for manufacturing industries, drives for process industries, intelligent infrastructure and buildings, efficient and clean power generation from fossil fuels and oil & gas applications, transmission and distribution of electrical energy for passenger and freight transportation, including rail vehicles, rail automation and rail electrification systems.

## 1. Significant accounting policies

### 1.1 Basis of preparation of Consolidated Financial Statements

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified pursuant to section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Companies Act.

The Consolidated financial statements have been prepared and presented under the historical cost convention, except for derivative instruments and certain other financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The accounting policies adopted in the preparation of consolidated financial statements are consistent for all the periods presented.

The Consolidated financial statements are presented in INR, which is the functional currency and all values are rounded to the nearest million (INR 1,000,000), except when otherwise indicated.

The Consolidated financial statements were authorised for issue in accordance with a resolution of Board of directors on 24 November 2021.

### Principles of consolidation

The Consolidated financial statements comprise the financial statements of Siemens Limited (‘the Company’) or (‘the parent company’), its wholly owned subsidiary, Siemens Rail Automation Pvt. Ltd. and its subsidiary, C&S Electric Ltd. (together referred as ‘the subsidiaries’). The Company and the subsidiaries constitute the Siemens Group (‘the Group’).

The list of subsidiaries is set out below:

Entity	Country of incorporation	% Holding 2021	% Holding 2020
Siemens Rail Automation Pvt. Ltd.	India	100%	100%
C&S Electric Ltd.	India	99.22%	-

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Subsidiary is consolidated from the date on which effective control is transferred to the Company and is no longer consolidated from the date of disposal.

Minority interest’s share of net profit is adjusted against the income to arrive at the net income attributable to owners of the parent. Minority interest’s share of net assets is presented separately in the balance sheet.

Consolidated financial statements are prepared using uniform accounting policies for transactions and other events in similar circumstance.



# Notes to the Consolidated Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## **Principles of consolidation (*Continued*)**

The Consolidated Financial Statements have been prepared on the following basis:

Consolidation procedure:

- (a) Items of assets, liabilities, equity, income, expenses and cash flows of the parent are combined with those of its subsidiaries on a line by line basis. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the financial statements at the acquisition date.
- (b) The carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary are eliminated.
- (c) Intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group are eliminated in full (profits or losses resulting from intra Group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra Group losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intracompany transactions.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income (OCI) to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

### **1.2 Current versus non-current classification**

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle. Based on the nature of business and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### **1.3 Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost includes taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future economic benefits from the existing assets beyond its previously assessed standard of performance.

Depreciation on property, plant and equipment is provided on a straight-line basis over the useful lives of assets estimated by the management, taking into account the nature of the asset on technical evaluation of the useful life, which may not necessarily be in alignment with the indicative useful lives prescribed by Schedule II to the Companies Act, 2013. The following useful lives are considered:

<b>Assets</b>	<b>Estimated useful lives</b>
<b>Buildings</b>	
- Factory buildings	30-60 years
- Other buildings	30-60 years
- Roads	10 years
- Leasehold improvements	Over the lease period
<b>Plant and equipment</b>	3 – 20 years
<b>Furniture and fixtures</b>	5-10 years

### 1.3 Property, plant and equipment (Continued)

Assets	Estimated useful lives
<b>Office equipments</b>	
- Computers	3 years
- Hardware, mainframes and servers	5 years
- Other office equipment	3 - 5 years
<b>Vehicles</b>	4 -10 years

If significant parts of property, plant and equipment have different useful lives, then they are accounted as separate items (major components) of property, plant and equipment.

Items of property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their carrying value and estimated net realizable value and are disclosed separately in the Consolidated Financial Statements. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and loss account.

Capital work-in-progress includes the cost of property, plant and equipment that are not ready for intended use at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets".

### 1.4 Intangible assets

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. These intangible assets are amortised on straight-line basis based on the following useful lives, which in management's estimate represents the period during which economic benefits will be derived from their use:

Assets	Estimated useful lives
Software	3 - 5 years
Technical know-how	5 - 10 years
Customer Relationships	7 to 12 years
Trademark	10 years
Customer contracts	7-19 months

#### Intangible assets acquired in a business combination

Identified intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair values at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

#### Intangible assets under development

Expenditure on intangible assets eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

### 1.5 Investment property

Investments in land or buildings (including property under construction) which are held to earn rentals and/or for capital appreciation are classified as investment property. Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price and borrowing costs, if capitalisation criteria are met and directly attributable cost of bringing the investment property to its working condition for the intended use.

# Notes to the Consolidated Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## 1.5 Investment property (*Continued*)

Depreciation on investment property is provided on a straight-line basis over the useful lives of assets estimated by the management. Such classes of investment properties and their estimated useful lives are as under:

Assets	Estimated useful lives
Factory Buildings	30 years

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. On disposal of an investment property, the difference between its carrying amount and net disposal proceeds is recognised in the Statement of Profit and Loss.

## 1.6 Revenue recognition

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is stated exclusive of goods and services tax and net of trade and quantity discount.

Revenue from sale of products is recognised on transfer of control of the products to the customers, which is usually on dispatch of goods.

When the outcome of a construction contract can be estimated reliably, revenue from construction contracts are recognised under the percentage-of-completion method, based on the percentage of costs incurred to date compared to the total estimated contract costs. An expected loss on the construction contract is recognised as an expense immediately. Contract revenue earned in excess of billing has been reflected as "Contract assets" and billing in excess of contract revenue has been reflected under "Contract liabilities" in the balance sheet.

Revenue from services represents service income other than from services which are incidental to sale of products and projects. Revenue from services is recognised as per the terms of the contract with the customer using the proportionate completion method. Revenue from services rendered over a period of time, such as annual maintenance contracts, are recognised on straight line basis over the period of the performance obligation.

Commission income is recognised as and when the terms of the contract are fulfilled along with the proof of shipment is received from the supplier.

Export incentives receivable are accrued for, when the right to receive the credit is established and there is no significant uncertainty regarding the realisability of the incentives.

Rental income arising from operating leases is accounted on a straight-line basis over the lease terms and is included in revenue in the Statement of Profit and Loss due to its operating nature.

## 1.7 Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials, work-in-progress, finished goods and traded goods are carried at the lower of cost and net realisable value. Cost is determined on the basis of the weighted average method.

The net realisable value of work-in-progress is determined with reference to the estimated selling price less estimated cost of completion and estimated costs necessary to make the sale of related finished goods. Raw materials held for the production of finished goods are not written down below cost except in case where material prices have declined and it is estimated that the cost of the finished product will exceed its net realisable value.

## 1.8 Ind AS 116 - Leases

The Group has adopted Ind AS 116 Leases effective 1 October 2019, using the modified retrospective method.

The Group's lease asset classes primarily consist of leases for Land and Buildings, vehicles and technical equipment's. The Group assesses whether a contract is (or contains) a lease, at inception of a contract. A contract is (or contains), a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Group has substantially all the economic benefits from use of the asset through the period of the lease and
- (iii) the Group has the right to direct the use of the asset

## 1.8 Ind AS 116 - Leases (Continued)

### Where the Group is the lessee:

At the date of commencement of the lease, the Group recognises a Right-of-Use asset ("ROU") and a corresponding Lease Liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Group recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less Accumulated depreciation and impairment losses, if any. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The Lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and Lease payments have been classified as financing cash flows.

### Where the Group is the lessor

Assets subject to operating leases are included in property, plant and equipment and investment property. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

## 1.9 Employee benefits

### (a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and short-term compensated absences, etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service.

### (b) Post-employment and other long-term benefits

- (i) **Defined Contribution Plans:** The Group's approved superannuation scheme and employee state insurance scheme are defined contribution plans. The Group's contribution payable under the schemes is recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.
- (ii) **Defined Benefit Plans and other Long Term Benefits:** The Group's gratuity, pension, medical benefit and retirement gift schemes are defined benefit plans. Leave wages, retention bonus, silver jubilee and star awards are other long term benefits. The present value of the obligation under such defined benefit plans and other long term benefits are determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

Provident fund has been considered as a defined benefit plan since any additional obligations on account of investment risk and interest rate risk are required to be met by the Group.

In case of defined benefit plans, remeasurement comprising of actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (wherever applicable) is recognised in other comprehensive income (OCI) and is reflected in retained earnings and is not eligible to be reclassified to profit or loss. In case of other long term benefits, all remeasurements including actuarial gain or loss are charged to Statement of Profit and Loss.

# Notes to the Consolidated Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## 1.9 Employee benefits (*Continued*)

The Group recognises following items in the net defined benefit obligation as an expense in Statement of Profit and Loss:

- Service cost including current service cost, past service cost and gains and losses on curtailments and settlements; and
- Net interest expense or income.

Provision for leave wages, pension, medical benefit, retention bonus, silver jubilee and star awards which is expected to be utilised within the next 12 months is treated as Short-term employee benefits and beyond 12 months as long term employee benefits. For the purpose of presentation, the allocation between short and long term provisions has been made as determined by an actuary.

The contribution to gratuity trust is expected to be made within next 12 months. Accordingly, the provision for gratuity is classified as current.

## 1.10 Share-based payments

Share-based payments consists of share awards of the holding company to the employees of the group. These awards are predominantly designed as cash-settled transactions. The fair value of the amount payable is remeasured at the end of each reporting period upto the settlement date, with the changes in the fair value recognised as employee benefits expenses with a corresponding increase in liabilities.

## 1.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial assets

#### Initial recognition and measurement

On initial recognition, financial assets are recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the below categories:

- a) Financial assets at amortised cost
- b) Financial assets including derivatives at fair value through profit or loss (FVTPL)
- c) Financial assets at fair value through other comprehensive income (FVTOCI)
- d) Equity instruments

#### (a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business where the objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables, loans and other financial assets.

#### (b) Financial Assets including derivatives at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit and loss are immediately recognised in the Statement of Profit and Loss.

### 1.11 Financial instruments (Continued)

#### (c) Financial Assets at fair value through other comprehensive income (FVTOCI)

Derivative instruments included in FVTOCI category are measured initially as well as at each reporting date at fair value. Movement in fair value is recognised in OCI.

#### (d) Equity instruments

Equity investment in subsidiary is measured at cost

#### Derecognition

A financial asset is primarily derecognised when:

- (a) the right to receive cash flows from the asset has expired, or
- (b) the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and a) the Group has transferred substantially all the risks and rewards of the asset, or b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in the Statement of Profit and Loss.

#### Impairment of financial assets

The Group applies the expected credit loss (ECL) model for measurement and recognition of impairment losses on the following financial assets and credit risk exposure:

- (a) Financial assets that are measured at amortised cost e.g. deposits
- (b) Trade receivables, contract assets or any another financial asset that result from transactions that are within the scope of Ind AS 115.

The Group follows the simplified approach for recognition of impairment loss allowance on trade receivables (net of billing in excess) and contract assets. The application of the simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve-month ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months after the reporting date.

ECL is the difference between net of all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on trade receivables (net of billing in excess) and Contract assets.

The Group does not have any purchased or originated credit-impaired financial assets, i.e., financial assets which are credit impaired on purchase/origination.

ECL impairment loss allowance (or reversal) recognised during the period is recognised in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

# Notes to the Consolidated Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## 1.11 *Financial instruments (Continued)*

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss (FVTPL), payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

On initial recognition, financial liabilities are recognised at fair value. In case of financial liabilities which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transactions costs are attributed to the acquisition or issue of the value of the financial liabilities.

The Group's financial liabilities include trade and other payables and derivative financial instruments.

#### Subsequent measurement

Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. All other financial liabilities such as deposits are measured at amortised cost using EIR method.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts that approximates the fair value is used, due to the short maturity of these instruments.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 1.12 *Foreign currency transactions*

The Group is exposed to currency fluctuations on foreign currency transactions. Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss of the year.

#### Translation

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss. Non-monetary items are stated in the balance sheet using the exchange rate at the date of the transaction.

#### Derivative instruments and hedge accounting

The Group's exposure to foreign currency fluctuations relates to foreign currency assets, liabilities and forecasted cash flows. The Group limits the effects of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives like forward contracts and options. The Group enters into forward exchange contracts and options, where the counterparty is a bank. The hedging strategy is used for mitigating the currency fluctuation risk and the Group does not use the forward exchange and options contracts for trading or speculative purpose.

The forward exchange and options contracts are re-measured at fair value at each reporting date with the resultant gains/losses thereon being recorded in Statement of Profit and Loss, except that are designated as hedges.

Commodity risk is mitigated by entering into future contracts to hedge against fluctuation in commodity prices.

### **1.12 Foreign currency transactions (Continued)**

The Group designates some of the forward contracts in a cash flow hedging relationship by applying the hedge accounting principles.

These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated as hedges for future cash flows are recognised in OCI and reflected in the cash flow hedge reserve net of applicable deferred income taxes. The ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts accumulated in cash flow hedge reserve are reclassified to profit and loss in the period during which the forecasted transaction materialises.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in cash flow hedge reserve is retained there until the forecasted transaction occurs.

If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in cash flow hedge reserve is immediately transferred to the Statement of Profit and Loss for the period.

### **1.13 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Consolidated Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value includes discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result from general approximation of value and the same may differ from the actual realised value.

### **1.14 Taxation**

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effect of temporary differences between accounting income and taxable income for the year) computed in accordance with the relevant provisions of the Income Tax Act, 1961. Current tax and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in OCI or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.



# Notes to the Consolidated Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## 1.14 *Taxation (Continued)*

The current tax payable is based on taxable profit for the year. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period. Advance taxes and provisions for current income taxes are presented in the Balance Sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant taxpaying units intend to settle the asset and liability on a net basis.

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against those deductible temporary differences and can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down to the extent it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

## 1.15 *Earnings per share*

Basic earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## 1.16 *Provisions and contingencies*

Provisions are recognised when the Group recognises it has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are recognised at present value by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money. When a contract becomes onerous, the present obligation under the contract is recognised as a provision. These are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

Disclosures for contingent liability are made when there is a possible and present obligation that arises from past events which is not recognised since it is not probable that there will be an outflow of resources. When there is a possible and present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Provisions for warranty related cost are recognised when the product is sold or service is provided to the customer. Initial recognition is based on past experience.

Contingent assets are not recognised in the Consolidated Financial Statements.

## 1.17 *Cash and Cash equivalents*

Cash and cash equivalents include cash, cheques in hand, cash at bank and deposits with banks having maturity of three months or less. Bank deposits with original maturity of up to three months are classified as 'Cash and cash equivalents' and with original maturity of more than three months are classified as 'Other bank balances'.

### **1.18 Government grants and subsidies**

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grants or subsidies relates to revenue, they are recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs for which they are intended to compensate. Where the grants or subsidies relate to an asset, the same are presented in the balance sheet by deducting the grants in arriving at the carrying amount of the asset.

### **1.19 Non-current assets held for sale and discontinued operations**

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell.

Property, plant and equipment and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortised.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and represents a separate major line of business or geographical area of operations and is part of a single co-ordinated plan to dispose of such a line of business or area of operations.

The results of discontinued operations are presented separately in the Statement of Profit and Loss.

### **1.20 Business Combinations and Goodwill**

Business combinations are accounted using acquisition method. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities assumed at their acquisition date i.e. the date on which control is acquired. Contingent consideration to be transferred is recognised at fair value and included as part of cost of acquisition. Transaction related costs are expensed in the period in which the costs are incurred.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their acquisition date fair values. However, certain assets and liabilities i.e. deferred tax assets or liabilities, assets or liabilities related to employee benefit arrangements, liabilities or equity instruments related to share-based payment arrangements, lease liabilities under Ind AS 116 and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind-AS.

The Group recognises any non-controlling interest at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

The excess/deficit of the sum of the consideration transferred to the acquired entity over fair value of the net identifiable assets acquired is recognised as goodwill/capital reserve.

Where it is not possible to complete the determination of fair values by the end of the reporting period in which the combination occurs, a provisional assessment of fair values is made and any adjustments required to those provisional values, and the corresponding adjustments to goodwill, are finalised within 12 months of the acquisition date.

Goodwill is measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests, over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is tested for impairment annually and measured at cost less any accumulated impairment losses if any.

# Notes to the Consolidated Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## 2. *Significant accounting judgments, estimates and assumptions*

The preparation of Consolidated Financial Statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively.

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group has based its assumptions and estimates on parameters available when the Consolidated Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

### 2.1 *Project revenue and costs*

The percentage-of-completion (POC) method places considerable importance on accurate estimates to the extent of progress towards completion and may involve estimates on the scope of deliveries and services required for fulfilling the contractually defined obligations. These significant estimates include total contract costs, total contract revenues, contract risks, including technical, political and regulatory risks, and other judgments. The Group re-assesses these estimates on periodic basis and makes appropriate revisions accordingly.

### 2.2 *Taxes*

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

### 2.3 *Property, plant and equipment and intangible assets*

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

### 2.4 *Leases*

The Group use estimates and judgements in identification of leases, identification of non-lease component of lease, lease term assessment considering termination and renewal option and the discounting rate used.

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

### 2.5 *Impairment of non-financial assets*

The Group assesses at each Balance Sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset or cash generating unit.

The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount.

The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost, had no impairment been recognised.

## **2.6 Employee benefits**

The Group's obligation for employee benefits is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Refer note 45 for details of the key assumptions used in determining the accounting of these plans.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the Actuary considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

## **2.7 Impairment of financial assets**

The Group assesses impairment on financial assets based on Expected Credit Loss (ECL) model. The provision matrix is based on its historically observed default rates over the expected life of the financial assets and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward looking estimates are analysed.

## **2.8 Provisions**

Significant estimates are involved in the determination of provisions related to liquidated damages, onerous contracts, warranty costs, asset retirement obligations, legal and regulatory proceedings (Legal Proceedings). The Group records a provision for onerous sales contracts when current estimates of total contract costs exceed expected contract revenue. The provision for warranty, liquidated damages, onerous contracts is based on the best estimate required to settle the present obligation at the end of reporting period.

Legal Proceedings often involve complex legal issues and are subject to substantial uncertainties. Accordingly, considerable judgment is part of determining whether it is probable that there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a Legal Proceeding will result in an outflow of resources and whether the amount of the obligation can be reliably estimated. Internal and external counsels are generally part of the determination process.

All the estimates are revised periodically.

## **2.9 Business Combination**

Significant estimates are involved in the determination of fair value of consideration transferred and fair value of assets acquired and liabilities assumed, measured on a provisional basis on account of acquisition of subsidiary (refer note 54).

### **Standard issued that are not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. MCA issued notifications dated 24 March 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Group in its financial statements. These amendments are applicable to the Group for the financial year starting 1 October 2021.

Notes to the Consolidated Financial Statements (Continued)  
as at 30 September 2021  
(Currency: Indian rupees millions)

3 Property, plant and equipment

	Freehold Land	Leasehold Land	Buildings (Refer note i & ii)	Plant and equipment (Refer note ii)	Furniture and fixtures (Refer note ii)	Office equipments (Refer note ii)	Vehicles	Total
<b>Gross carrying value</b>								
At 1 October 2019	560	126	5,757	11,925	320	951	1	19,640
Additions	-	-	26	917	13	448	1	1,405
Deductions / adjustments**	(56)	(126)	*	(21)	*	(157)	*	(360)
Transferred to discontinued operations	(31)	-	(464)	(1,584)	(17)	(34)	-	(2,130)
<b>At 30 September 2020</b>	<b>473</b>	<b>-</b>	<b>5,319</b>	<b>11,237</b>	<b>316</b>	<b>1,208</b>	<b>2</b>	<b>18,555</b>
<b>Accumulated depreciation / impairment</b>								
At 1 October 2019	-	9	941	5,939	227	629	1	7,746
Charge for the year	-	-	246	1,326	45	165	*	1,782
Charge for the period - discontinued operations (refer note 55)	-	-	16	177	1	6	*	200
Deductions / adjustments**	-	(9)	*	(13)	*	(94)	*	(116)
Transferred to discontinued operations	-	-	(81)	(724)	(15)	(21)	-	(841)
<b>At 30 September 2020</b>	<b>-</b>	<b>-</b>	<b>1,122</b>	<b>6,705</b>	<b>258</b>	<b>685</b>	<b>1</b>	<b>8,771</b>
<b>Net block</b>								
<b>At 30 September 2020</b>	<b>473</b>	<b>-</b>	<b>4,197</b>	<b>4,532</b>	<b>58</b>	<b>523</b>	<b>1</b>	<b>9,784</b>

\* denotes figures less than a million

\*\* includes transfer to Right of Use assets - Freehold Land ₹ 51 and Leasehold Land ₹ 117

3 Property, plant and equipment (Continued)

	Freehold Land	Leasehold Land	Buildings (Refer note i & ii)	Plant and equipment (Refer note ii)	Furniture and fixtures (Refer note ii)	Office equipments (Refer note ii)	Vehicles	Total
<b>Gross carrying value</b>								
At 1 October 2020	473	-	5,319	11,237	316	1,208	2	18,555
Additions due to acquisition of C&S Electric Ltd. (refer note 54)	-	-	658	1,090	4	27	29	1,808
Additions	-	-	267	1,146	35	91	-	1,539
Deductions / adjustments	-	-	(64)	(274)	(33)	(2)	(27)	(400)
Transferred to investment property	(101)	-	(1,013)	-	-	-	-	(1,114)
<b>At 30 September 2021</b>	<b>372</b>	<b>-</b>	<b>5,167</b>	<b>13,199</b>	<b>322</b>	<b>1,324</b>	<b>4</b>	<b>20,388</b>
<b>Accumulated depreciation / impairment</b>								
At 1 October 2020	-	-	1,122	6,705	258	685	1	8,771
Charge for the year	-	-	299	1,303	38	169	1	1,810
Deductions / adjustments	-	-	(61)	(196)	(32)	*	(1)	(290)
Transferred to investment property	-	-	(121)	-	-	-	-	(121)
<b>At 30 September 2021</b>	<b>-</b>	<b>-</b>	<b>1,239</b>	<b>7,812</b>	<b>264</b>	<b>854</b>	<b>1</b>	<b>10,170</b>
<b>Net block</b>								
At 30 September 2021	372	-	3,928	5,387	58	470	3	10,218

**Notes:**

i) Buildings includes gross block of ₹ 10 (2020: ₹ 734) representing 10 shares of ₹ 50 each and 10 shares of ₹ 100 each (2020: 365 shares of ₹ 50 each and 11 shares of ₹ 100 each) in various co-operative housing societies respectively.

ii) **Assets include assets given on operating lease**

Particulars	Buildings	Plant and equipments	Furniture and fixtures	Office equipments
Gross carrying value as at 30 September 2020	657	66	20	17
Written Down Value as at 30 September 2020	543	31	*	9
Depreciation charge for the year	22	6	*	5
Gross carrying value as at 30 September 2021	95	48	14	7
Written Down Value as at 30 September 2021	46	20	*	5
Depreciation charge for the year	6	4	*	3

\* denotes figures less than a million

Notes to the Consolidated Financial Statements (*Continued*)  
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4 Investment Property

	Land and Buildings	Total
<b>Gross carrying value</b>		
At 1 October 2019	2	2
Additions	-	-
Deductions / adjustments	-	-
<b>At 30 September 2020</b>	<b>2</b>	<b>2</b>
<b>Accumulated depreciation</b>		
At 1 October 2019	1	1
Charge for the year	*	*
Deductions / adjustments	-	-
<b>At 30 September 2020</b>	<b>1</b>	<b>1</b>
<b>Net block</b>		
<b>At 30 September 2020</b>	<b>1</b>	<b>1</b>

	Land and Buildings	Total
<b>Gross carrying value</b>		
At 1 October 2020	2	2
Additions	-	-
Deductions / adjustments	-	-
Transferred from property, plant and equipment	1,114	1,114
<b>At 30 September 2021</b>	<b>1,116</b>	<b>1,116</b>
<b>Accumulated depreciation</b>		
At 1 October 2020	1	1
Charge for the year	22	22
Deductions / adjustments	-	-
Transferred from property, plant and equipment	121	121
<b>At 30 September 2021</b>	<b>144</b>	<b>144</b>
<b>Net block</b>		
<b>At 30 September 2021</b>	<b>972</b>	<b>972</b>

Notes:

i) Information regarding income and expenditure on investment properties

	Sept 2021	Sept 2020
Rental income derived from investment properties	22	-
Direct operating expenses (including repairs and maintenance) generating rental income	(10)	(1)
Profit/(Loss) arising from investment properties before depreciation and indirect expenses	12	(1)
Less: Depreciation	(9)	*
<b>Profit/(Loss) arising from investment properties before indirect expenses</b>	<b>3</b>	<b>(1)</b>
Operating expenses (including depreciation) arising from Investment properties not generating rental income	(44)	-

\*denotes figures less than a million

#### 4 Investment Property (Continued)

##### ii) Fair value disclosure

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation technique	Fair Value	
		Sept 2021	Sept 2020
Land and building	Stamp duty reckoner rate/Valuation Report	3,937	482

The valuation of investment properties is in accordance with the Ready Reckoner rates prescribed for the purpose of levying stamp duty. The Group has referred to the publications and government website for Ready Reckoner rates. Further, the fair value of certain investment property has been determined with the help of Independent valuer.

#### 5 Other Intangible Assets and Intangible assets under development

	Other Intangible Assets		
	Technical know-how	Software	Total
<b>Gross carrying value</b>			
At 1 October 2019	66	42	108
Additions	-	11	11
Deductions / adjustments	-	(6)	(6)
Transferred due to sale of Mechanical Drives business	(23)	(15)	(38)
<b>At 30 September 2020</b>	<b>43</b>	<b>32</b>	<b>75</b>
<b>Accumulated depreciation / impairment</b>			
At 1 October 2019	61	32	93
Charge for the year	4	4	8
Charge for the year - discontinued operations	-	2	2
Deductions / adjustments	-	(6)	(6)
Transferred due to sale of Mechanical Drives business	(22)	(7)	(29)
<b>At 30 September 2020</b>	<b>43</b>	<b>25</b>	<b>68</b>
<b>Net block</b>			
<b>At 30 September 2020</b>	<b>*</b>	<b>7</b>	<b>7</b>

	Other Intangible Assets and Intangible assets under development						Total
	Technical know-how	Software	Customer Relationships	Trademark	Customer contracts	Intangible assets under development	
<b>Gross carrying value</b>							
At 1 October 2020	43	32	-	-	-	-	75
Additions	-	2	-	-	-	-	2
Additions due to acquisition of C&S Electric Ltd. (refer note 54)	1,360	15	4,804	356	297	12	6,844
Deductions / adjustments	-	*	-	-	-	-	*
<b>At 30 September 2021</b>	<b>1,403</b>	<b>49</b>	<b>4,804</b>	<b>356</b>	<b>297</b>	<b>12</b>	<b>6,921</b>
<b>Accumulated depreciation / impairment</b>							
At 1 October 2020	43	25	-	-	-	-	68
Charge for the year	79	7	252	21	177	-	536
Deductions / adjustments	-	*	-	-	-	-	*
<b>At 30 September 2021</b>	<b>122</b>	<b>32</b>	<b>252</b>	<b>21</b>	<b>177</b>	<b>-</b>	<b>604</b>
<b>Net block</b>							
<b>At 30 September 2021</b>	<b>1,281</b>	<b>17</b>	<b>4,552</b>	<b>335</b>	<b>120</b>	<b>12</b>	<b>6,317</b>

\* denotes figures less than a million



Notes to the Consolidated Financial Statements (*Continued*)  
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	Sept 2021	Sept 2020
<b>6 Trade receivables - Non - current (unsecured)</b>		
Long-term trade receivables		
- considered good	908	824
- considered doubtful	6	6
	<u>914</u>	<u>830</u>
Impairment Allowance	(6)	(6)
	<u>908</u>	<u>824</u>
<b>7 Loans - Non - current (unsecured, considered good)</b>		
Loan to employees	5	10
Loans to related parties (refer note 44 and below)	2,120	5,050
	<u>2,125</u>	<u>5,060</u>
Loans to related parties are given for the purpose of meeting their working capital requirements and for general corporate purposes.		
<b>8 Other financial assets - Non - current</b>		
<b>i) Financial assets at amortised cost</b>		
Security deposits	510	421
Bank deposits with maturity of more than 12 months	2,000	-
Others	6	-
<b>ii) Financial assets at fair value through Profit or Loss</b>		
Derivative contracts	53	36
	<u>2,569</u>	<u>457</u>
<b>9 Income tax disclosure</b>		
<b>(a) Income tax expense</b>		
<b>Current tax:</b>		
Current Income Tax Charge (Continuing Operations)	3,847	2,722
Current Income Tax Charge (Discontinuing Operations)	52	-
Tax charge for prior years	33	-
<b>Deferred tax</b>		
In respect of current year origination and reversal of temporary differences	(24)	(48)
Fair Valuation of net assets on acquisition of C&S Electric Ltd. (refer note 54)	(158)	-
Deferred Income Tax Charge (Discontinuing Operations)	94	-
Deferred tax assets not recoverable	310	-
<b>Total tax expense recognised in Statement of Profit and Loss</b>	<u>4,154</u>	<u>2,674</u>
<b>(b) Income Tax on Other Comprehensive Income</b>		
Re-measurements of defined benefit plans	92	(93)
Fair value changes on derivative designated as cash flow hedge reserve	(1)	38
<b>Total tax expense recognised in Other comprehensive income</b>	<u>91</u>	<u>(55)</u>

9 Income tax disclosure (Continued)

(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 30 September 2021 and 30 September 2020

	Sept 2021	Sept 2020
Profit before tax from continuing operations	14,199	10,369
Profit/(Loss) before tax from discontinued operations	859	(13)
Other Comprehensive items	362	(221)
<b>Total</b>	<b>15,420</b>	<b>10,135</b>
<b>Tax at statutory average income tax rate of 25.17% (2020: 25.17%) (A)</b>	<b>3,882</b>	<b>2,552</b>
Tax effect of expenses that are not deductible for tax purposes	84	63
Tax charge for prior years	33	-
Tax effect of Capital gain & tax paid at lower rate	(64)	-
Deferred tax assets not recoverable	310	-
<b>Total (B)</b>	<b>363</b>	<b>63</b>
<b>At the effective income tax rate of 27.52%% (2020: 25.81%) (A+B)</b>	<b>4,245</b>	<b>2,615</b>
Income tax reported in statement of profit and loss from continuing operations	3,698	2,674
Income tax attributable to discontinued operations	456	(4)
Income tax expense of Other Comprehensive income	91	(55)
<b>Total</b>	<b>4,245</b>	<b>2,615</b>

(d) Movement of Deferred tax

	Balance Sheet			Profit & Loss	
	Additions due to acquisition of C&S Electric Ltd. (refer note 54)	Sept 2021	Sept 2020	Sept 2021	Sept 2020
<b>Deferred tax assets</b>					
Arising on account of temporary differences in :					
Provision for doubtful debts and advances	161	697	651	(115)	71
Provision for loss allowance	32	238	235	(29)	(38)
Provisions made disallowed and allowed only on payment basis	67	1,012	1,071	(126)	(34)
Provision for Inventory allowance	50	693	895	(252)	261
Other temporary differences	95	243	116	32	(222)
<b>Less - Deferred tax liability</b>					
Arising on account of temporary differences in :					
Fair Valuation of net assets on acquisition of C&S Electric Ltd. (refer note 54)	(2,049)	(1,891)	-	158	-
Accelerated Depreciation for tax purposes	(180)	(582)	(512)	110	106
<b>Deferred tax assets (net)</b>	<b>(1,824)</b>	<b>410</b>	<b>2,456</b>	<b>(222)</b>	<b>144</b>
Deferred tax recognised directly in Other Comprehensive income	-	39	44	(5)	(86)
Recognised in Retained Earnings	-	24	24	-	-
<b>Total Deferred tax as shown in Balance sheet and Profit and Loss</b>	<b>(1,824)</b>	<b>473</b>	<b>2,524</b>	<b>(227)</b>	<b>58</b>

Notes to the Consolidated Financial Statements (*Continued*)  
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9 Income tax disclosure (*Continued*)

(d) (i) Breakup of Deferred tax

	Balance Sheet	
	Sept 2021	Sept 2020
<b>Deferred tax assets (net)</b>		
Continuing operations	473	2,149
Discontinued operations	-	375
<b>Total Deferred tax as shown in Balance sheet</b>	<b>473</b>	<b>2,524</b>

(e) Reconciliation of deferred tax assets, net	Sept 2021	Sept 2020
Opening balance	2,524	2,442
Tax income/(expense) during the year recognised in profit or loss from continuing operations	182	47
Tax income/(expense) during the year recognised in profit or loss from discontinued operations	(404)	97
Tax income/(expense) during the period recognised in Other comprehensive income	(5)	(86)
Additions due to acquisition of C&S Electric Ltd. (refer note 54)	(1,824)	-
Tax income/(expense) during the year recognised in Retained Earnings	-	24
<b>Deferred tax assets (net)</b>	<b>473</b>	<b>2,524</b>

10 Income tax assets (net)

Advance payments of income tax [net of provision for tax ₹ 57,297 (2020: ₹ 54,060) including payments made under protest of ₹ 6,171 (2020: ₹ 6,011)]	6,604	6,640
	<b>6,604</b>	<b>6,640</b>

11 Other non-current assets

Capital advances	129	59
Balances with statutory /government authorities [includes payments made under protest of ₹ 1,540 (2020: ₹ 1,712)]	2,830	3,036
Prepaid lease	*	1
Others	18	-
	<b>2,977</b>	<b>3,096</b>

12 Inventories (valued at lower of cost and net realisable value)

Raw materials [includes Goods in Transit ₹ 427 (2020 : ₹ 260)]	5,995	3,464
Work-in-progress	5,057	3,594
Finished goods	3,542	1,364
Stock-in-trade [includes Goods in Transit ₹ 1,374 (2020 : ₹ 1,294)]	3,375	2,730
	<b>17,969</b>	<b>11,152</b>

Amount of write down of inventories to net realisable value and other provisions recognised in the Statement of Profit and Loss as an expense is ₹ 492 (2020 : ₹ 590)

\* denotes figures less than a million

	Sept 2021	Sept 2020
<b>13 Trade receivables - Current</b>		
Trade receivables	35,779	31,611
Receivables from related parties (refer note 44)	<u>3,031</u>	<u>1,454</u>
	<b>38,810</b>	<b>33,065</b>
Of which		
- considered good (unsecured)	36,805	31,402
- considered good (secured)	25	-
- considered doubtful	469	442
- which have significant increase in credit risk	114	33
- credit impaired	<u>1,397</u>	<u>1,188</u>
	<b>38,810</b>	<b>33,065</b>
Impairment Allowance	<u>(1,980)</u>	<u>(1,663)</u>
	<b><u>36,830</u></b>	<b><u>31,402</u></b>

- i) Trade receivable does not consist any amounts due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member
- ii) For credit risk disclosures, refer note 52B
- iii) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days of credit periods

#### 14 Cash and cash equivalents

##### ***Balances with banks***

- On current accounts	1,420	1,467
- Bank deposits with original maturity of less than 3 months	2,949	17,226
Cash on hand	1	*
Cheques / drafts on hand	114	481
	<u>4,484</u>	<u>19,174</u>

#### 15 Bank balances other than cash and cash equivalents

Bank deposits with remaining maturity of less than 12 months	47,021	37,837
Unpaid dividend account (refer note below)	86	85
	<u>47,107</u>	<u>37,922</u>

The balance in unpaid dividend account is used only for payment of dividend.

#### 16 Loans - Current (unsecured, considered good)

Inter corporate deposits to related parties (refer note 44 and below)	5,960	2,650
Loan to employees	100	72
	<u>6,060</u>	<u>2,722</u>

Inter corporate deposit to related parties are given for the purpose of meeting their working capital requirements.

\* denotes figures less than a million

Notes to the Consolidated Financial Statements (*Continued*)  
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	Sept 2021	Sept 2020
<b>17 Other financial assets - Current</b>		
<b>i) Financial assets at amortised cost</b>		
Security deposits		
- considered good	225	260
- considered doubtful	31	32
	<u>256</u>	<u>292</u>
Impairment allowance	<u>(31)</u>	<u>(32)</u>
	225	260
Interest accrued on inter corporate deposits	50	60
Interest accrued on bank deposits	295	332
Export incentive / Government grant	532	863
Others	470	617
<b>ii) Financial assets at fair value through Profit or Loss</b>		
Derivative contracts	448	469
<b>iii) Financial assets at fair value through Other Comprehensive Income</b>		
Derivative contracts	57	150
	<u>2,077</u>	<u>2,751</u>
<b>18 Contract assets</b>		
- considered good	13,323	13,300
- considered doubtful	214	211
	<u>13,537</u>	<u>13,511</u>
Impairment allowance	<u>(214)</u>	<u>(211)</u>
	<u>13,323</u>	<u>13,300</u>
<b>19 Other current assets</b>		
Advance to suppliers	639	529
Prepaid expenses	346	53
Balances with statutory / government authorities, net	2,491	2,052
Others	196	178
	<u>3,672</u>	<u>2,812</u>

	Sept 2021	Sept 2020
<b>20 Share capital</b>		
<b>Authorised</b>		
1,000,000,000 Equity Shares of ₹ 2 each (2020: 1,000,000,000 Equity shares of ₹ 2 each)	2,000	2,000
	<u>2,000</u>	<u>2,000</u>
<b>Issued</b>		
356,983,950 Equity Shares of ₹ 2 each (2020: 356,983,950 Equity shares of ₹ 2 each)	714	714
	<u>714</u>	<u>714</u>
<b>Subscribed and fully paid-up</b>		
356,120,255 Equity Shares of ₹ 2 each fully paid-up (2020: 356,120,255 Equity shares of ₹ 2 each fully paid-up)	712	712
	<u>712</u>	<u>712</u>

**a) Shares held by Ultimate holding company, subsidiary and associates of Ultimate holding company:**

169,882,943 (2020: 169,882,943) Equity shares of ₹ 2 each, fully paid-up, are held by the Subsidiary of Ultimate Holding Company, Siemens International Holding B.V.

85,468,862 (2020: 85,468,862) Equity shares of ₹ 2 each, fully paid-up, are held by the Associate of Ultimate Holding Company, Siemens Gas and Power Holding B.V.

11,738,108 (2020: 11,738,108) Equity shares of ₹ 2 each, fully paid-up, are held by Siemens Metals Technologies Vermögensverwaltungs GmbH (formerly known as Siemens VAI Metals Technologies GmbH), a Subsidiary of Ultimate Holding Company.

**b) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:**

	2021		2020	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	356,120,255	712	356,120,255	712
Shares issued / subscribed during the year	-	-	-	-
Shares outstanding at the end of the year	<u>356,120,255</u>	<u>712</u>	<u>356,120,255</u>	<u>712</u>

**c) Details of shareholders holding more than 5% shares in the Company as on 30 September:**

Name of shareholder	2021		2020	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Siemens International Holding B.V. (w.e.f. 23.06.2020)	169,882,943	47.70%	169,882,943	47.70%
Siemens Gas and Power Holding B.V. (w.e.f. 19.05.2020)	85,468,862	24.00%	85,468,862	24.00%
Life Insurance Corporation of India	<u>23,263,760</u>	<u>6.53%</u>	<u>24,921,663</u>	<u>7.00%</u>

As per records of the Group, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**d) Terms / rights attached to equity shares**

The Holding Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian rupees.

In the event of liquidation of the Holding Company, the holder of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts (if any). The distribution will be in proportion to the number of equity shares held by the shareholders.

# Notes to the Consolidated Financial Statements (*Continued*)

## as at 30 September 2021

### (Currency: Indian rupees millions)

#### 21 Other equity

##### Nature and purpose of reserve

- a) Capital reserve was created on account of merger of group companies in earlier years.
- b) Amalgamation reserve pertains to amalgamation of Siemens VDO Automotive Limited in 2006.
- c) Capital redemption reserve pertains to entity accounted as business combination under common control.
- d) Securities premium account represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.
- e) General reserve is created out of profits earned by the Group by way of transfer from surplus in the statement of profit and loss. The Group can use this reserve for payment of dividend and issue of fully paid-up shares. As General reserve is created by transfer on one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be subsequently reclassified to statement of profit and loss.
- f) Cash flow hedge reserve represents mark-to-market valuation of effective hedges as required by Ind AS 109.
- g) Retained earnings are the profits that the Group has earned till date, less any transfers to General reserve and payment of dividend.

The above reserves will be utilised in accordance with the provision of the Companies Act, 2013.

	Sept 2021	Sept 2020
<b>22 Dividend distribution made and proposed</b>		
<b>Cash dividend on equity shares declared and paid:</b>		
Final dividend for the year ended 2020: ₹ 7 per share (2019: ₹ 7 per share)	2,493	2,493
Dividend distribution tax on final dividend	-	512
	<u>2,493</u>	<u>3,005</u>
<b>Proposed dividend on equity shares:</b>		
Final cash dividend for the year ended 2021: ₹ 8 per share (2020: ₹ 7 per share)	2,849	2,493
	<u>2,849</u>	<u>2,493</u>
<b>23 Other financial liabilities - Non - current</b>		
<b>i) Financial liabilities at amortised cost</b>		
Security deposits	42	-
Holdback consideration (refer note 54)	2,000	-
<b>ii) Financial liabilities at fair value through Profit or Loss</b>		
Derivative contracts	76	29
Liabilities related to share based payments (refer note 48)	660	387
	<u>2,778</u>	<u>416</u>
<b>24 Long-term provisions</b>		
<b>a) Provision for employee benefits</b>		
- Pension (refer note 45)	246	226
- Gratuity (refer note 45)	171	-
- Leave wages	873	840
- Medical benefits (refer note 45)	1,671	1,691
- Silver jubilee and star awards	330	401
- Retirement gift	85	107
- Retention Bonus	2	-
	<u>3,378</u>	<u>3,265</u>
<b>b) Others</b>		
- Other matters (refer note 40)	34	12
	<u>34</u>	<u>12</u>
	<u>3,412</u>	<u>3,277</u>

	Sept 2021	Sept 2020
<b>25 Other non-current liabilities</b>		
Others	31	31
	<u>31</u>	<u>31</u>
<b>26 Borrowings - Current (Secured)</b>		
Loan repayable on demand from Bank	25	-
	<u>25</u>	<u>-</u>
The above loan is repayable in 7 days and backed up by Global Letter of Support issued by Siemens AG, carrying interest of 6.9%.		
<b>27 Other financial liabilities - Current</b>		
<b>i) Financial liabilities at amortised cost</b>		
Security deposits	97	101
Unclaimed dividend	86	86
Liability for capital goods	79	58
Current maturities of term loans	16	-
Others (includes employee related liabilities)	3,165	1,818
<b>ii) Financial liabilities at fair value through Profit or Loss</b>		
Derivative contracts	515	315
Liabilities related to share based payments (refer note 48)	208	196
<b>iii) Financial liabilities at fair value through Other Comprehensive Income</b>		
Derivative contracts	75	15
	<u>4,241</u>	<u>2,589</u>
<b>28 Contract liabilities</b>		
Advances from customers	8,617	8,067
Billing in excess / advance billings	5,979	7,051
	<u>14,596</u>	<u>15,118</u>
<b>29 Other current liabilities</b>		
Accrued salaries and benefits	489	428
Interest accrued and due	126	149
Other liabilities		
- Withholding and other taxes payable (includes PF, ESIC, PT)	612	385
- Others	327	325
	<u>1,554</u>	<u>1,287</u>
<b>30 Short-term provisions</b>		
<b>a) Provision for employee benefits</b>		
- Pension (refer note 45)	35	33
- Leave wages	118	27
- Medical benefits (refer note 45)	67	65
- Gratuity (refer note 45)	-	344
- Silver jubilee and star awards	42	38
- Retention Bonus	4	8
- Retirement gift	2	1
	<u>268</u>	<u>516</u>
<b>b) Others</b>		
- Warranty (refer note 40)	4,387	3,465
- Loss order (refer note 40)	1,231	1,068
- Liquidated damages (refer note 40)	1,164	743
- Other matters (refer note 40)	2,619	2,943
	<u>9,401</u>	<u>8,219</u>
	<u>9,669</u>	<u>8,735</u>



Notes to the Consolidated Financial Statements (*Continued*)  
for the year ended 30 September 2021  
(Currency: Indian rupees millions)

	Sept 2021	Sept 2020
<b>31 Current Tax liabilities</b>		
Provision for tax [net of advance tax ₹ 13,171 (2020: ₹ 11,719) ]	<u>418</u>	<u>130</u>
<b>32 Revenue from operations (gross)</b>		
<b>Revenue from contracts with customers</b>		
Sale of products	78,362	48,818
Revenue from projects	37,968	30,770
Sale of services	17,814	16,786
Commission income	82	232
	<u>134,226</u>	<u>96,606</u>
<b>Other operating revenue</b>		
Export incentives	213	761
Recoveries from group companies	1,239	1,475
Rental income	283	323
Liabilities written back	154	137
Others	277	163
	<u>2,166</u>	<u>2,859</u>
	<u>136,392</u>	<u>99,465</u>
<b>33 Other income</b>		
Interest income	2,063	2,965
Profit on sale of assets, net	24	2
Others	178	182
	<u>2,265</u>	<u>3,149</u>
<b>34 Project bought outs and other direct costs</b>		
Spares and stores consumed	273	124
Project bought outs	23,831	19,737
Other direct costs	4,069	3,310
Less: Capitalised to property, plant and equipment	(19)	-
	<u>28,154</u>	<u>23,171</u>
<b>35 Employee benefits expense</b>		
Salaries, wages and bonus, net	14,626	13,263
Contribution to provident and other funds	1,261	1,245
Share based payments to employees (refer note 48)	579	371
Staff welfare expenses	451	586
	<u>16,917</u>	<u>15,465</u>
<b>36 Finance costs</b>		
Interest - Others	106	120
Other costs	5	-
Interest on lease liabilities	135	175
	<u>246</u>	<u>295</u>

	Sept 2021	Sept 2020
<b>37 Other expenses</b>		
Exchange loss / (gains), net **	*	232
Travel and conveyance	702	801
Software license fees and other information technology related costs	2,236	1,951
Rates and taxes	277	524
Communications	280	376
Packing and forwarding	1,993	966
Power and fuel	428	382
Insurance	416	380
Rent	233	276
Repairs		
- on building	191	104
- on machinery	782	517
- others	296	250
Legal and professional [includes auditors' remuneration (refer note 39)]	1,547	1,489
Advertising and publicity	43	148
Research and development expenditure	146	62
Bank guarantee commission / bank charges	283	305
Donation	1	-
Commission to directors	10	12
Directors' fees	4	4
Bad debts [net of reversal of provision for doubtful debts of ₹ 97 (2020: ₹ 194)]	76	150
CSR expenditure	291	282
Provision for doubtful debts and advances, net	(184)	352
Provision for fixed deposit	-	2
License fees	933	555
Miscellaneous expenses	189	219
	<b>11,173</b>	<b>10,340</b>

\* denotes figures less than a million

\*\* Includes amount transferred from cash flow hedge reserve to exchange gains amounting to ₹ (111) [2020: ₹ (17)]

# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

(Currency: Indian rupees millions)

	Sept 2021	Sept 2020
<b>38 Commitments and contingent liabilities</b>		
<b>(a) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	<u>697</u>	<u>973</u>
Of the above 2021: Nil (2020: ₹ 516) pertains to discontinued operations		
For commitments relating to lease arrangements (refer note 42)		
<b>(b) Contingent liabilities (to the extent not provided for)</b>		
Income tax (excluding interest)	7,358	4,821
Excise, service tax and sales tax liabilities, under dispute	6,927	6,569
Customs liabilities, under dispute	122	120
Claims against the Company not acknowledged as debts	911	899
Of the above 2021: Nil (2020: ₹100) pertains to discontinued operations		
i) In respect of above contingent liabilities, the future cash outflows are determinable only on receipt of judgements pending at various forums / authorities. The Group has assessed that it is only possible, but not probable, that outflow of economic resources will be required.		
ii) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.		
<b>39 Auditors' remuneration (for audit services exclusive of GST)</b>	<b>Sept 2021</b>	<b>Sept 2020</b>
As auditor		
- Audit fees	30	22
- Tax audit fees	8	6
In other capacity		
- Other audit related services	5	2
- Reimbursement of expenses	*	2
	<u>43</u>	<u>32</u>
* denotes figures less than a million		

#### 40 Disclosure relating to Provisions

##### **Provision for warranty**

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing and past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period.

##### **Provision for liquidated damages**

Liquidated damages are provided based on contractual terms when the delivery / commissioning dates of an individual project have exceeded or are likely to exceed the delivery / commissioning dates as per the respective contracts. This expenditure is expected to be incurred over the respective contractual terms upto closure of the contract (including warranty period).

##### **Provision for loss orders**

A provision for expected loss on construction contracts is recognised when it is probable that the contract costs will exceed total contract revenue. For all other contracts, loss order provisions are made when the unavoidable costs of meeting the obligation under the contract exceed the currently estimated economic benefits.

##### **Provision for other matters**

The Group has made provisions for known contractual risks, litigation cases and pending assessments in respect of taxes, duties and other levies, the outflow of which would depend on the cessation of the respective events.

The movements in the above provisions are summarised below:

	Warranty		Liquidated damages		Loss orders		Other matters	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020
Balance as at 1 October	3,465	3,233	743	957	1,068	1,086	2,955	2,906
Provisions :								
- Created	1,837	1,437	874	446	1,146	974	608	692
- Utilised	(358)	(282)	(195)	(190)	(1,030)	(737)	(288)	(222)
- Reversed	(568)	(793)	(258)	(463)	(80)	(103)	(654)	(343)
- Additions on account of acquisition (refer note 54)	11	-	-	-	127	-	32	-
- Transferred due to sale of MD business	-	(130)	-	(7)	-	(152)	-	(78)
<b>Balance as at 30 September</b>	<b>4,387</b>	<b>3,465</b>	<b>1,164</b>	<b>743</b>	<b>1,231</b>	<b>1,068</b>	<b>2,653</b>	<b>2,955</b>
- Current	4,387	3,465	1,164	743	1,231	1,068	2,619	2,943
- Non-current	-	-	-	-	-	-	34	12

#### 41 Disclosure pursuant to Indian Accounting Standard - 115 'Revenue from contracts with customers' :

(i) Out of the total revenue recognised under Ind AS 115 during the period, ₹ 52,973 (2020: ₹ 41,362) is recognised over a period of time and ₹ 81,529 (2020: ₹ 55,245) is recognised at a point in time.

##### (ii) Reconciliation between revenue recognised and contract price:

	Sept 2021	Sept 2020
Contract Price	135,755	96,735
Less: Reductions towards variable consideration components *	1,529	129
<b>Revenue</b>	<b>134,226</b>	<b>96,606</b>

\* Reduction towards variable consideration components include discounts, liquidated damages, etc.

# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

(Currency: Indian rupees millions)

### 41 Disclosure pursuant to Indian Accounting Standard - 115 'Revenue from contracts with customers' : *(Continued)*

(iii) Remaining performance obligations: The aggregate amount of transaction price allocated to remaining performance obligations and expected conversion of the same into revenue is as follows:

Particulars	Unexecuted Order Value	Expected conversion in revenue	
		Up to 1 year	More than 1 year
Transaction price allocated to the remaining performance obligation:			
2021	140,385	134,614	5,771
2020	127,424	84,780	42,644

(iv) Revenue recognised during the year from opening balance of contract liabilities amounts to ₹ 11,495 (2020: ₹ 8,952).

(v) There is no revenue recognised during the year from the performance obligation that is satisfied in previous year (arising out of contract modifications).

(vi) Information regarding geographical disaggregation of revenue has been included in segment information [refer note 43(ii)].

### 42 Disclosure pursuant to Indian Accounting Standard - 116 "Leases"

#### As Lessee

#### i) Carrying value of Right of use assets at the end of the reporting period by class

	Balance at 1 October 2020	Net additions on account of acquisition (refer note 54)	Addition during the year	Deletion / adjustments during the year	Depreciation for the year	Depreciation charge for discontinued operations	Transferred due to sale of MD business	Balance at 30 September 2021
Land & Building	1,685	1,167	339	107	523	-	*	2,561
Vehicles	185	-	124	30	98	1	*	180
Plant and equipment	17	-	86	9	14	-	-	80
<b>Total</b>	<b>1,887</b>	<b>1,167</b>	<b>549</b>	<b>146</b>	<b>635</b>	<b>1</b>	<b>*</b>	<b>2,821</b>

#### ii) Maturity analysis of Lease liabilities

Maturity analysis – contractual undiscounted cash flows	Sept 2021	Sept 2020
Less than one year	748	876
One to five years	1,723	1,488
More than five years	77	15
<b>Total undiscounted Lease liabilities at 30 September 2021</b>	<b>2,548</b>	<b>2,379</b>
Current	748	876
Non-Current	1,800	1,503

#### iii) Amounts recognised in Profit or Loss

Interest expense on lease liabilities	135	175
Expenses relating to short-term leases	199	102
Expenses relating to leases of low-value assets	124	177
Income from sub-lease of properties	137	150

(iv) During the year ended 30 September 2021, total cash outflow in respect of leases amounted to ₹ 690 (2020: ₹ 725).

\* denotes figures less than a million

43 (i) Information about business segments

	Revenue						Results	
	External revenue		Inter segmental revenue		Total		2021	2020
	2021	2020	2021	2020	2021	2020		
Energy	47,077	40,371	264	158	47,341	40,529	5,918	4,014
Smart Infrastructure (refer note 54)	45,047	26,163	1,261	1,472	46,308	27,635	2,547	1,013
Mobility	9,250	9,211	-	3	9,250	9,214	1,120	1,069
Digital Industries	29,578	18,913	715	502	30,293	19,415	2,330	1,156
Portfolio Companies **	4,407	3,842	30	1	4,437	3,843	251	200
Others	1,033	965	*	1	1,033	966	14	63
Eliminations	-	-	(2,270)	(2,137)	(2,270)	(2,137)	-	-
<b>Continuing operations</b>	<b>136,392</b>	<b>99,465</b>	<b>-</b>	<b>-</b>	<b>136,392</b>	<b>99,465</b>	<b>12,180</b>	<b>7,515</b>
<b>Discontinued operations (refer note 55)</b>	<b>1,414</b>	<b>6,713</b>	<b>-</b>	<b>-</b>	<b>1,414</b>	<b>6,713</b>	<b>368</b>	<b>(12)</b>
Interest expenses							246	295
Interest income							2,063	2,965
Other Income							202	184
<b>Profit before tax from continuing operation</b>							<b>14,199</b>	<b>10,369</b>
<b>Profit / (Loss) before tax from discontinued operation (refer note 55)</b>							<b>372</b>	<b>(13)</b>
Gain from sale of discontinued operation (refer note 55)							487	-
Income tax							(3,880)	(2,722)
Deferred tax credit / (expense)							182	48
<b>Profit after tax from continuing operation</b>							<b>10,501</b>	<b>7,695</b>
<b>Profit / (Loss) after tax from discontinued operation (refer note 55)</b>							<b>403</b>	<b>(9)</b>
<b>Total</b>	<b>137,806</b>	<b>106,178</b>	<b>-</b>	<b>-</b>	<b>137,806</b>	<b>106,178</b>	<b>10,904</b>	<b>7,686</b>

	Assets		Liabilities		Capital Expenditure		Non-cash expenditure			
	2021	2020	2021	2020	2021	2020	Depreciation & amortisation / Impairment (refer note 3,4, 5 & 42)		Others	
							2021	2020	2021	2020
Energy	38,500	36,272	28,402	26,966	192	327	767	925	65	314
Smart Infrastructure (refer note 54)	46,905	18,683	23,140	13,148	674	531	1,548	839	199	293
Mobility	11,239	10,773	7,525	7,512	21	42	162	182	35	109
Digital Industries	8,263	7,075	7,948	6,594	30	88	235	274	(284)	296
Portfolio Companies **	2,354	2,325	2,068	1,841	4	4	50	75	17	62
Others	2,367	2,225	1,058	1,151	107	321	243	226	5	5
	<b>109,628</b>	<b>77,353</b>	<b>70,141</b>	<b>57,212</b>	<b>1,028</b>	<b>1,313</b>	<b>3,005</b>	<b>2,521</b>	<b>37</b>	<b>1,079</b>
Unallocable corporate items	69,948	75,324	5,864	4,483	34	244	-	-	-	-
Discontinued operation (refer note 55)	-	5,925	-	1,987	108	398	-	205	(148)	295
<b>Total</b>	<b>179,576</b>	<b>158,602</b>	<b>76,005</b>	<b>63,682</b>	<b>1,170</b>	<b>1,955</b>	<b>3,005</b>	<b>2,726</b>	<b>(111)</b>	<b>1,374</b>

\* denotes less than a million

\*\* Portfolio Companies segment relates to Large Drive Applications.

# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

(Currency: Indian rupees millions)

### 43 (ii) Information about geographical areas

	Revenue based on location of customers		Non-Current assets	
	2021	2020	2021	2020
Within India	107,311	76,408	30,247	22,295
Outside India	29,081	23,057	-	-
<b>Total</b>	<b>136,392</b>	<b>99,465</b>	<b>30,247</b>	<b>22,295</b>

### (iii) Other disclosures :

- The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and profit from operations as the performance indicator for all of the operating segments. The Chief Executive Officer, Chief Financial Officer and Division CEO & CFO's are the CODM of the Group.
- Inter-segment prices are normally negotiated amongst the segments with reference to the costs, market price and business risks/ Transfer prices between operating segments are on arm's length basis in a manner similar to the transactions with third parties.
- No operating segments have been aggregated to form the above reportable operating segments.
- Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.
- Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.
- Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties including assets from the acquisition of subsidiaries.
- Profits / losses on inter segment transfers are eliminated at the Group level.

### (iv) Segment information :

**Business Segments:** The business of the Group is divided into five segments. These segments are the basis for management control and hence, form the basis for reporting. The business of each segment comprises of :

- **Energy** : - Provides fully integrated products, solutions and services across the energy value chain of oil and gas production, power generation and transmission for various customers such as utilities, independent power producers and engineering, procurement and construction (EPC) companies.
- **Smart Infrastructure** : - Supplier of products, systems, solutions and services for transmission and distribution of electrical energy for power utilities, industrial companies and infrastructure segments. Portfolio covers systems for low & medium voltage distribution, solutions for smart grids and energy automation, low voltage power supply systems. Provides intelligent and connected infrastructure for grids and buildings.
- **Mobility** : - Supplier of solutions for passenger and freight transportation – including rail vehicles, rail automation systems, rail electrification systems, road traffic technology and IT solutions.
- **Digital Industries** : - Contains portfolio of leading edge automation, drives and software technologies covering the complete life cycle from product design and production execution to services for discrete and process Industries.
- **Portfolio Companies** : - Supplier of products, services and mining & minerals solutions to industry sector.
- **Others** :- Services provided to other group companies and lease rentals have been classified as "Others".

**Geographical Segments:** The business is organised in two geographical segments i.e. within India and outside India.

#### Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

#### Unallocated corporate items

Unallocated items include general corporate items which are not allocated to any business segment.

## 44 Related party transactions

### 44.1 Parties where control exists

Siemens AG, Germany	Ultimate Holding Company
Siemens International Holding B.V., Netherlands	Subsidiary of Ultimate Holding Company (w.e.f. 23.06.2020)

### Parties with significant influence

Siemens Gas and Power Holding B.V., Netherlands	Associate of Ultimate Holding Company (w.e.f. 28.09.2020)
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### 44.2 Other related parties where transactions have taken place during the year

Fellow Subsidiaries	Name	Country
	Siemens Spa	Algeria
	Siemens S.A. (upto 27.09.2020)	Argentina
	Flender Pty. Ltd. (upto 10.03.2021)	Australia
	J.R.B. Engineering Pty. Ltd.	Australia
	Siemens Energy Pty. Ltd. (upto 27.09.2020)	Australia
	Siemens Ltd.	Australia
	Siemens Mobility Pty. Ltd.	Australia
	ETM professional control GmbH	Austria
	Siemens Aktiengesellschaft Österreich	Austria
	Siemens Energy Austria GmbH (upto 27.09.2020)	Austria
	Siemens Energy Austria GmbH, Transformers (upto 27.09.2020)	Austria
	Siemens Metals Technologies Vermögensverwaltungs GmbH	Austria
	Siemens Mobility Austria GmbH	Austria
	Siemens Mobility Austria GmbH, Plant Rail Systems	Austria
	Trench Austria GmbH (upto 27.09.2020)	Austria
	Siemens W.L.L.	Bahrain
	Siemens Bangladesh Ltd.	Bangladesh
	Siemens Healthcare Ltd.	Bangladesh
	Siemens Industrial Ltd.	Bangladesh
	Flender S.R.L. (upto 10.03.2021)	Belgium
	Siemens Energy S.A./N.V. (upto 27.09.2020)	Belgium
	Siemens S.A./N.V.	Belgium
	Siemens Infraestrutura e Indústria Ltda.	Brazil
	Siemens Ltda. (upto 27.09.2020)	Brazil
	Siemens EOOD	Bulgaria
	Flender Corporation Canada Branch (upto 10.03.2021)	Canada
	Siemens Canada Ltd.	Canada
	Siemens Canada Ltd. - Process Instruments Business Unit	Canada
	Siemens Canada Ltd. - RuggedCom	Canada
	Siemens Energy Canada Ltd. (upto 27.09.2020)	Canada
	Siemens Energy Canada Ltd. - Dist Gen (PRW) (upto 27.09.2020)	Canada
	Trench Ltd. (upto 27.09.2020)	Canada
	Flender SpA (upto 10.03.2021)	Chile
	Siemens S.A.	Chile



# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

### (Currency: Indian rupees millions)

#### 44.2 Other related parties where transactions have taken place during the year *(Continued)*

Fellow Subsidiaries	Name	Country
	Beijing Siemens Cerberus Electronics Ltd.	China
	Flender Ltd., China (upto 10.03.2021)	China
	Siemens Circuit Protection Systems Ltd., Shanghai	China
	Siemens Electrical Apparatus Ltd., Suzhou	China
	Siemens Electrical Drives (Shanghai) Ltd.	China
	Siemens Electrical Drives Ltd.	China
	Siemens Energy Co., Ltd. (upto 27.09.2020)	China
	Siemens Factory Automation Engineering Ltd.	China
	Siemens Finance and Leasing Ltd.	China
	Siemens Healthineers Diagnostics (Shanghai) Co., Ltd.	China
	Siemens High Voltage Circuit Breaker Co., Ltd., Hangzhou (upto 27.09.2020)	China
	Siemens High Voltage Switchgear Co., Ltd., Shanghai (upto 27.09.2020)	China
	Siemens International Trading Ltd., Shanghai	China
	Siemens Ltd., China	China
	Siemens Medium Voltage Switching Technologies (Wuxi) Ltd.	China
	Siemens Numerical Control Ltd., Nanjing	China
	Siemens Power Automation Ltd.	China
	Siemens Sensors & Communication Ltd.	China
	Siemens Shanghai Medical Equipment Ltd.	China
	Siemens Shenzhen Magnetic Resonance Ltd.	China
	Siemens Standard Motors Ltd.	China
	Siemens Surge Arresters Ltd. (upto 27.09.2020)	China
	Siemens Switchgear Ltd., Shanghai	China
	Siemens Transformer (Guangzhou) Co., Ltd. (upto 27.09.2020)	China
	Siemens Wiring Accessories Shandong Ltd.	China
	Trench High Voltage Products Ltd., Shenyang (upto 27.09.2020)	China
	Siemens S.A.	Colombia
	Koncar-Energetski Transformatori, d.o.o. (upto 27.09.2020)	Croatia
	Siemens Energy d.o.o. (upto 27.09.2020)	Croatia
	OEZ s.r.o.	Czech Republic
	OEZ s.r.o., Letohrad	Czech Republic
	Siemens Electric Machines s.r.o.	Czech Republic
	Siemens, s.r.o.	Czech Republic
	Siemens, s.r.o., OZ Elektromotory Frenstat and OZ Elektromotory Mohelnice	Czech Republic
	Siemens Energy, s.r.o., odstěpny zavod Industrial Turbomachinery (upto 27.09.2020)	Czechia
	Siemens A/S	Denmark
	Siemens Energy S.R.L. (upto 27.09.2020)	Dominican Republic
	Siemens Industrial LLC	Egypt
	Siemens Technologies S.A.E. (upto 27.09.2020)	Egypt

#### 44.2 Other related parties where transactions have taken place during the year (Continued)

Fellow Subsidiaries	Name	Country
	Siemens S.A.	El Salvador
	Siemens Osakeyhtiö	Finland
	Dresser-Rand SAS (upto 27.09.2020)	France
	Flender-Graffenstaden SAS (upto 10.03.2021)	France
	Siemens Energy S.A.S. (upto 27.09.2020)	France
	Siemens Industry Software SAS	France
	Siemens Mobility SAS	France
	Siemens SAS	France
	Siemens SAS, Division production Process Automation, Usine de Haguenau	France
	Trench France SAS (upto 27.09.2020)	France
	Flender GmbH (upto 10.03.2021)	Germany
	Flender GmbH, BL Wind Energy Generation (upto 10.03.2021)	Germany
	Flender Industrial Gear GmbH (upto 10.03.2021)	Germany
	HSP High Voltage Equipment GmbH	Germany
	HSP Hochspannungsgeräte GmbH (upto 27.09.2020)	Germany
	KACO new energy GmbH	Germany
	Next47 GmbH	Germany
	SGP KG, Erlangen (upto 27.09.2020)	Germany
	SGP KG, Laatzen (upto 27.09.2020)	Germany
	SGP KG, Nürnberg (upto 27.09.2020)	Germany
	SGP KG, Werk Berlin (upto 27.09.2020)	Germany
	SGP KG, Werk Duisburg (upto 27.09.2020)	Germany
	SGP KG, Werk Erfurt (upto 27.09.2020)	Germany
	SGP KG, Werk Görlitz (upto 27.09.2020)	Germany
	SGP KG, Werk Mülheim (upto 27.09.2020)	Germany
	SGP KG, Werk Nürnberg (upto 27.09.2020)	Germany
	Siemens Bank GmbH	Germany
	Siemens Beteiligungen Inland GmbH	Germany
	Siemens Compressor Systems GmbH (upto 27.09.2020)	Germany
	Siemens Financial Services GmbH	Germany
	Siemens Gas and Power GmbH & Co. KG (upto 27.09.2020)	Germany
	Siemens Healthcare GmbH	Germany
	Siemens Mobility GmbH	Germany
	Siemens Mobility GmbH, dARE	Germany
	Siemens Traction Gears GmbH	Germany
	Siemens Treasury GmbH	Germany
	SYKATEC Systeme, Komponenten, Anwendungstechnologie GmbH	Germany
	Trench Germany GmbH (upto 27.09.2020)	Germany
	Weiss Spindeltechnologie GmbH	Germany
	Siemens Oil & Gas Equipment Ltd. (upto 27.09.2020)	Ghana
	Siemens A.E., Electrotechnical Projects and Products	Greece

# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

### (Currency: Indian rupees millions)

#### 44.2 Other related parties where transactions have taken place during the year *(Continued)*

Fellow Subsidiaries	Name	Country
	Siemens S.A.	Guatemala
	Siemens Energy Ltd. (upto 27.09.2020)	Hong Kong
	Siemens Ltd.	Hong Kong
	Siemens Energy Kft., Generation Plant Budapest (upto 27.09.2020)	Hungary
	Siemens Zrt.	Hungary
	Bytemark Technology Solutions India Pvt. Ltd.	India
	Dresser-Rand India Pvt. Ltd. (upto 27.09.2020)	India
	Fast Track Diagnostics Asia Pvt. Ltd.	India
	Flender Drives Pvt. Ltd. (upto 10.03.2021)	India
	Mentor Graphics (India) Pvt. Ltd.	India
	Mentor Graphics (Sales and Services) Pvt. Ltd.	India
	PETNET Radiopharmaceutical Solutions Pvt. Ltd.	India
	Siemens Factoring Pvt. Ltd.	India
	Siemens Financial Services Pvt. Ltd.	India
	Siemens Gamesa Renewable Energy Engineering Centre Pvt. Ltd. (upto 27.09.2020)	India
	Siemens Healthcare Pvt. Ltd.	India
	Siemens Healthineers India LLP	India
	Siemens Industry Software (India) Pvt. Ltd.	India
	Siemens Industry Software Computational Dynamics India Pvt. Ltd.	India
	Siemens Logistics India Pvt. Ltd.	India
	Siemens Technology and Services Pvt. Ltd.	India
	P.T. Siemens Indonesia	Indonesia
	PT Siemens Mobility Indonesia	Indonesia
	Mentor Graphics (Ireland) Ltd.	Ireland
	Siemens Israel Ltd. (upto 27.09.2020)	Israel
	Siemens Ltd.	Israel
	Flender Italia S.r.l. (upto 10.03.2021)	Italy
	Siemens Energy S.r.l. (upto 27.09.2020)	Italy
	Siemens S.p.A.	Italy
	Siemens Transformers S.r.l. (upto 27.09.2020)	Italy
	Trench Italia S.r.l. (upto 27.09.2020)	Italy
	Siemens Energy SARL (upto 27.09.2020)	Ivory Coast
	Siemens K.K.	Japan
	Siemens TOO	Kazakhstan
	Siemens Energy Ltd. (upto 27.09.2020)	Korea
	Siemens Ltd. Seoul	Korea
	Siemens Mobility Ltd.	Korea
	Siemens Industrial Business Co. For Electrical, Electronic and Mechanical Contracting WLL	Kuwait
	Siemens Energy Sdn. Bhd. (upto 27.09.2020)	Malaysia

#### 44.2 Other related parties where transactions have taken place during the year (Continued)

Fellow Subsidiaries	Name	Country
	Siemens Malaysia Sdn. Bhd.	Malaysia
	Siemens Mobility Sdn. Bhd.	Malaysia
	Siemens Energy, S. de R.L. de C.V. (upto 27.09.2020)	Mexico
	Siemens Servicios S.A. de C.V.	Mexico
	Siemens, S.A. de C.V.	Mexico
	Siemens S.A.	Morocco
	Flender B.V. (upto 10.03.2021)	Netherlands
	Siemens Energy B.V. (upto 27.09.2020)	Netherlands
	Siemens Industry Software B.V.	Netherlands
	Siemens Nederland N.V.	Netherlands
	Siemens (N.Z.) Ltd.	New Zealand
	Siemens Energy Ltd. (upto 27.09.2020)	Nigeria
	Siemens AS	Norway
	Siemens Energy AS (upto 27.09.2020)	Norway
	Siemens Energy L.L.C. (upto 27.09.2020)	Oman
	Siemens Industrial LLC	Oman
	Siemens Energy S.A.C. (upto 27.09.2020)	Peru
	Siemens S.A.C.	Peru
	Siemens Power Operations, Inc. (upto 27.09.2020)	Philippines
	Siemens, Inc.	Philippines
	Siemens Energy Sp. z o.o. (upto 27.09.2020)	Poland
	Siemens Sp. z o.o.	Poland
	Siemens Energy Unipessoal Lda. (upto 27.09.2020)	Portugal
	Siemens S.A.	Portugal
	Siemens Energy W.L.L (upto 27.09.2020)	Qatar
	Siemens W.L.L.	Qatar
	Siemens Energy S.R.L. (Upto 27.09.2020)	Romania
	Siemens S.R.L.	Romania
	SIMEA S.R.L., Plant SEIT Sibiu	Romania
	OOO Siemens Gas Turbine Technologies (upto 27.09.2020)	Russia
	Siemens Finance and Leasing LLC	Russia
	Siemens Gas and Power LLC (upto 27.09.2020)	Russia
	OOO Siemens	Russian
	Arabia Electric Ltd. (Equipment)	Saudi Arabia
	ISCOSA Industries and Maintenance Ltd. (upto 27.09.2020)	Saudi Arabia
	Siemens Ltd.	Saudi Arabia
	Siemens d.o.o. Beograd	Serbia
	Siemens Energy d.o.o. Beograd (upto 27.09.2020)	Serbia
	Flender Pte. Ltd. (upto 10.03.2021)	Singapore
	Siemens Energy Pte. Ltd. (upto 27.09.2020)	Singapore
	Siemens Healthcare Pte. Ltd.	Singapore
	Siemens Mobility Pte. Ltd.	Singapore

# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

(Currency: Indian rupees millions)

### 44.2 Other related parties where transactions have taken place during the year *(Continued)*

Fellow Subsidiaries	Name	Country
	Siemens Pte. Ltd.	Singapore
	Siemens Energy, s.r.o. (upto 27.09.2020)	Slovakia
	Siemens s.r.o.	Slovakia
	Flender (Pty) Ltd (upto 10.03.2021)	South Africa
	Siemens Energy (Pty) Ltd (upto 27.09.2020)	South Africa
	Siemens Mobility (Pty) Ltd	South Africa
	Siemens Proprietary Ltd.	South Africa
	Flender Iberica SI (Upto 10.03.2021)	Spain
	Siemens Energy S.A. (upto 27.09.2020)	Spain
	Siemens Mobility, S.L.U.	Spain
	Siemens Rail Automation S.A.U.	Spain
	Siemens S.A.	Spain
	Siemens AB	Sweden
	Siemens Energy AB (upto 27.09.2020)	Sweden
	Siemens Mobility AG	Switzerland
	Siemens Schweiz AG	Switzerland
	Siemens Schweiz AG, Smart Infrastructure, Global Headquarters	Switzerland
	Siemens Ltd.	Taiwan
	Siemens Energy Ltd. (upto 27.09.2020)	Thailand
	Siemens Ltd.	Thailand
	Siemens Mobility Ltd.	Thailand
	Flender Mekanik Güc Aktarma Sistemleri Sanayi ve Ticaret Anonim Sirketi (upto 10.03.2021)	Turkey
	Siemens Enerji Sanayi ve Ticaret Anonim Sirketi (upto 27.09.2020)	Turkey
	Siemens Finansal Kiralama A.S.	Turkey
	Siemens Sanayi ve Ticaret Anonim Sirketi	Turkey
	Siemens Industrial LLC	UAE
	Siemens LLC	UAE
	Electrium Sales Ltd.	UK
	Flender Ltd. (upto 10.03.2021)	UK
	I DT Factory Congleton	UK
	Industrial Turbine Company (UK) Ltd. (upto 27.09.2020)	UK
	Siemens Energy Ltd. (upto 27.09.2020)	UK
	Siemens HC Ltd. MR Magnet Technology	UK
	Siemens Industrial Turbomachinery Ltd. (upto 27.09.2020)	UK
	Siemens Mobility Ltd.	UK
	Siemens plc	UK
	Siemens Ukraine	Ukraine
	Building Robotics Inc.	USA
	Dresser-Rand Company (upto 27.09.2020)	USA
	eMeter Corporation	USA
	Enlighted, Inc.	USA

#### 44.2 Other related parties where transactions have taken place during the year (Continued)

Fellow Subsidiaries	Name	Country
	Flender Corporation (upto 10.03.2021)	USA
	MG Corp	USA
	Siemens Corporation	USA
	Siemens Demag Delaval Turbomachinery, Inc. (upto 27.09.2020)	USA
	Siemens Energy Inc. (US) – Transmission (E1P) (upto 27.09.2020)	USA
	Siemens Energy Inc. (US)– Solutions (E1P) (upto 27.09.2020)	USA
	Siemens Energy, Inc. (upto 27.09.2020)	USA
	Siemens Energy, Inc. (US) - Dist Gen (PS1) (upto 27.09.2020)	USA
	Siemens Energy, Inc. (US) - Fossil Products (OPP) (upto 27.09.2020)	USA
	Siemens Energy, Inc. (US) - Oil& Gas (PT2) (upto 27.09.2020)	USA
	Siemens Healthcare Diagnostics Inc.	USA
	Siemens Industry Software Inc.	USA
	Siemens Industry, Inc.	USA
	Siemens Mobility, Inc	USA
	Siemens Gas and Power Ltd. Company (upto 27.09.2020)	Vietnam
	Siemens Ltd.	Vietnam
<b>44.2 Subsidiaries / associate of parties who has significant influence (Fellow Associate) (w.e.f 28.09.2020)</b>	<b>Name</b>	<b>Country</b>
	Siemens Energy S.A.	Argentina
	Siemens Energy Pty. Ltd.	Australia
	Siemens Energy Austria GmbH	Austria
	Trench Austria GmbH	Austria
	Siemens Bangladesh Ltd	Bangladesh
	Siemens Energy S.A./N.V.	Belgium
	Siemens Energy Brasil Ltda.	Brazil
	Siemens Energy Canada Ltd.	Canada
	Trench Ltd.	Canada
	Siemens Energy S.P.A.	Chile
	Siemens Energy Co., Ltd.	China
	Siemens High Voltage Circuit Breaker Co., Ltd., Hangzhou	China
	Siemens High Voltage Switchgear Co., Ltd., Shanghai	China
	Siemens Surge Arresters Ltd.	China
	Siemens Transformer (Guangzhou) Co., Ltd.	China
	Siemens Transformer (Jinan) Co., Ltd	China
	Trench High Voltage Products Ltd., Shenyang	China
	Siemens Energy S.A.S.	Colombia
	Koncar-Energetski Transformatori D.O.O.	Croatia
	Siemens Energy d.o.o.	Croatia
	Siemens Energy, s.r.o.	Czech Republic
	Siemens Energy S.A.E.	Egypt
	Dresser-Rand SAS	France
	Siemens Energy S.A.S.	France
	Trench France SAS	France
	HSP Hochspannungsgeraete GmbH	Germany
	Siemens Compressor Systems GmbH	Germany

# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

(Currency: Indian rupees millions)

44.2 Subsidiaries / associate of parties who has significant influence (Fellow Associate) (w.e.f 28.09.2020)	Name	Country
	Siemens Energy Global GmbH & Co. KG (erstwhile known as Siemens Gas and Power GmbH & Co. KG & SGP KG, Werk Duisburg)	Germany
	Trench Germany GmbH	Germany
	Siemens Energy Ltd.	Hong Kong
	Siemens Energy Kft.	Hungary
	Dresser-Rand India Pvt. Ltd.	India
	Siemens Gamesa Renewable Energy Engineering Centre Pvt. Ltd.	India
	Siemens Gamesa Renewable Power Pvt. Ltd.	India
	Siemens Energy Ltd.	Israel
	Siemens Energy SRL	Italy
	Siemens Energy Transformers S.r.l.	Italy
	Trench Italia S.R.L.	Italy
	Siemens Energy SARL	Ivory Coast
	Siemens Energy Ltd	Korea
	Siemens Electrical & Electronic Services K.S.C.C.	Kuwait
	Siemens Energy Sdn. Bhd.	Malaysia
	Siemens Energy, S. De R. L. De C.V.	Mexico
	Siemens Energy B.V.	Netherlands
	Siemens Energy Ltd.	Nigeria
	Siemens Energy AS	Norway
	Siemens Energy LLC	Oman
	Siemens Energy S.A.C.	Peru
	Siemens Energy, Inc.	Philippines
	Siemens Energy Sp. z o.o.	Poland
	Siemens Energy Unipessoal Lda.	Portugal
	Siemens Energy W.L.L	Qatar
	Siemens Energy S.R.L.	Romania
	Siemens Energy LLC	Russia
	Siemens Energy Ltd.	Saudi Arabia
	Siemens Energy d.o.o. Beograd	Serbia
	Siemens Energy Pte. Ltd.	Singapore
	Siemens Energy (Pty) Ltd	South Africa
	Siemens Energy, S.A.	Spain
	Siemens Energy AB	Sweden
	Siemens Energy Ltd.	Taiwan
	Siemens Energy Ltd.	Thailand
	Siemens Enerji Sanayi Ve Ticaret Anonim Sirketi	Turkey
	Siemens Energy LLC	Ukraine
	Siemens Energy LLC	UAE
	Industrial Turbine Company (UK) Ltd.	UK
	Siemens Energy Industrial Turbomachinery Ltd.	UK
	Siemens Energy Ltd.	UK
	Dresser-Rand Company	USA
	Siemens Demag Delaval Turbomachinery, Inc.	USA
	Siemens Energy, Inc.	USA
	Siemens Energy Ltd. Company	Vietnam

#### 44.3 Key Managerial personnel

**Whole - Time Directors** Mr. Sunil Mathur  
Dr. Daniel Spindler

**Company Secretary** Mr. Ketan Thaker

**Non Executive Directors** Mr. Josef Kaeser (Director only upto 28.02.2021)  
Mr. Cedrik Neike (Director only upto 30.11.2020)  
Mr. Johannes Apitzsch  
Ms. Mariel von Schumann (Director only upto 12.02.2021)  
Mr. Tim Holt (Director w.e.f. 01.06.2020)  
Mr. Matthias Rebellius (Director w.e.f. 01.12.2020)  
Mr. Willem Rudolf Basson (Director w.e.f. 01.03.2021)

**Independent Directors** Mr. Deepak Parekh  
Mr. Yezdi Malegam (Director only upto 29.01.2021)  
Mr. Darius Shroff (Director only upto 29.01.2020)  
Mr. Keki Dadiseth (Director only upto 29.01.2020)  
Mr. Mehernosh B. Kapadia  
Ms. Anjali Bansal

**Managing board of SAG** Dr. Roland Busch  
Mr. Cedrik Neike  
Mr. Matthias Rebellius (Director w.e.f. 01.10.2020)  
Mr. Ralf P.Thomas  
Ms. Judith Wiese (Director w.e.f. 01.10.2020)

#### 44.4 Others

**Domestic partner of KMP** Ms. Sandra Marques Alves

**Employees' Benefit Plans where there is significant influence** Siemens India Ltd. Indian Staff Provident Fund  
Siemens India Ltd. Gratuity Fund

**Enterprises over which KMP are able to exercise significant influence** Indian School of business (upto 29.01.2020)  
Breach Candy Hospital Trust  
Omnicom India Marketing Advisory Services Pvt. Ltd. (upto 29.01.2020)  
Bharatiya Reserve Bank Note Mudran Pvt. Ltd. (upto 29.01.2021)  
Delhivery Pvt. Ltd. (upto 16.09.2021)



# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

(Currency: Indian rupees millions)

### 44.5 Related party transactions

Description	2021					2020				
	Ultimate Holding Company	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others	Ultimate Holding Company	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others
<b>Revenue (net of taxes)</b>										
- Siemens AG	4,840	-	-	-	-	3,373	-	-	-	-
- Siemens W.L.L.	-	973	-	-	-	-	427	-	-	-
- Siemens Energy Global GmbH & Co. KG	-	-	3,720	-	-	-	1,635	-	-	-
- Others	-	3,261	5,766	-	-	-	9,479	52	-	3
<b>Commission income</b>										
- Siemens AG	22	-	-	-	-	33	-	-	-	-
- Siemens Industrial Turbomachinery Ltd.	-	-	23	-	-	-	113	-	-	-
- Industrial Turbine Company (UK) Ltd.	-	-	16	-	-	-	52	-	-	-
- Others	-	-	22	-	-	-	33	-	-	-
<b>Recoveries from group companies</b>										
- Siemens AG	599	-	-	-	-	713	-	-	-	-
- Siemens Technology and Services Pvt. Ltd.	-	232	-	-	-	-	216	-	-	-
- Siemens Healthcare Pvt. Ltd.	-	54	-	-	-	-	48	-	-	-
- Siemens Industry Software (India) Pvt. Ltd.	-	52	-	-	-	-	44	-	-	-
- Siemens Energy Global GmbH & Co. KG	-	-	63	-	-	-	208	-	-	-
- Others	-	180	61	-	-	-	260	-	-	-
<b>Reimbursement of expenses received</b>										
- Siemens AG	396	-	-	-	-	523	-	-	-	-
- Siemens Pte. Ltd.	-	86	-	-	-	-	56	-	-	-
- Siemens Mobility GmbH	-	34	-	-	-	-	21	-	-	-
- Siemens Canada Ltd. - RuggedCom	-	42	-	-	-	-	6	-	-	-
- Siemens Technology and Services Pvt. Ltd.	-	5	-	-	-	-	109	-	-	-
- Siemens Energy, Inc. (US) - Oil & Gas (PT2)	-	-	-	-	-	-	56	-	-	-
- Siemens Energy Global GmbH & Co. KG	-	-	30	-	-	-	69	-	-	-
- Others	-	20	80	-	-	-	264	-	-	-
<b>Other Income</b>										
- Siemens Energy Global GmbH & Co. KG	-	-	127	-	-	-	116	-	-	-
<b>Purchase of goods and services</b>										
- Siemens AG	24,416	-	-	-	-	16,652	-	-	-	-
- Siemens Mobility GmbH	-	1,312	-	-	-	-	810	-	-	-
- Flender GmbH	-	887	-	-	-	-	1,877	-	-	-
- Siemens Medium Voltage Switching Technologies (Wuxi) Ltd.	-	881	-	-	-	-	521	-	-	-
- Others	-	5,181	7,804	-	*	-	10,096	172	-	*

\* denotes figures less than a million

#### 44.5 Related party transactions (Continued)

Description	2021					2020				
	Ultimate Holding Company	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others	Ultimate Holding Company	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others
<b>Rent income</b>										
- Siemens Financial Services Pvt. Ltd.	-	77	-	-	-	-	83	-	-	-
- Siemens Technology and Services Pvt. Ltd.	-	43	-	-	-	-	40	-	-	-
- Siemens Logistics India Pvt. Ltd.	-	22	-	-	-	-	19	-	-	-
- Siemens Healthcare Pvt. Ltd.	-	18	-	-	-	-	106	-	-	-
- Dresser-Rand India Pvt. Ltd.	-	-	76	-	-	-	48	-	-	-
- Others	-	4	-	-	-	-	8	-	-	-
<b>Interest income</b>										
- Siemens Financial Services Pvt. Ltd.	-	403	-	-	-	-	557	-	-	-
- Siemens Factoring Pvt. Ltd.	-	41	-	-	-	-	60	-	-	-
- Others	-	*	-	-	-	-	3	-	-	-
<b>Bank guarantee charges</b>										
- Siemens AG	120	-	-	-	-	114	-	-	-	-
- Others	-	*	-	-	-	-	3	-	-	-
<b>License Fees</b>										
- Siemens AG	518	-	-	-	-	296	-	-	-	-
- Siemens Mobility GmbH	-	16	-	-	-	-	29	-	-	-
- Siemens Schweiz AG, Smart Infrastructure, Global Headquarters	-	9	-	-	-	-	7	-	-	-
- Flender GmbH	-	6	-	-	-	-	118	-	-	-
- Siemens Industry Software (India) Pvt. Ltd.	-	5	-	-	-	-	-	-	-	-
- Siemens Energy Global GmbH & Co. KG	-	-	361	-	-	-	160	-	-	-
- Others	-	3	13	-	-	-	37	-	-	-
<b>Dividend paid (on payment basis)</b>										
- Siemens AG	-	-	-	-	-	1,787	-	-	-	-
- Siemens International Holding B.V., Netherlands	-	1,189	-	-	-	-	-	-	-	-
- Siemens Gas and Power Holding B.V., Netherlands	-	-	598	-	-	-	-	-	-	-
- Siemens Metals Technologies Vermögensverwaltungs GmbH	-	82	-	-	-	-	82	-	-	-
<b>Purchase of Property, plant and equipment / investment property / capital work in progress</b>										
- Siemens AG	27	-	-	-	-	40	-	-	-	-
- O EZ s.r.o.	-	13	-	-	-	-	*	-	-	-
- Siemens Sanayi ve Ticaret Anonim Sirketi	-	7	-	-	-	-	-	-	-	-
- Siemens Circuit Protection Systems Ltd., Shanghai	-	4	-	-	-	-	-	-	-	-
- Siemens SAS	-	6	-	-	-	-	-	-	-	-
- Flender GmbH	-	3	-	-	-	-	33	-	-	-
- Siemens Mobility GmbH	-	-	-	-	-	-	5	-	-	-
- Others	-	3	9	-	-	-	8	-	-	-

\* denotes figures less than a million

# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

(Currency: Indian rupees millions)

### 44.5 Related party transactions *(Continued)*

Description	2021					2020				
	Ultimate Holding Company	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others	Ultimate Holding Company	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others
<b>Sale of Property, plant and equipment/ Investment property</b>										
- Siemens Electrical Drives Ltd.	-	17	-	-	-	-	-	-	-	-
- Siemens Healthcare Pvt. Ltd.	-	*	-	-	-	-	*	-	-	-
- Dresser-Rand India Pvt. Ltd.	-	-	-	-	-	-	63	-	-	-
<b>Sale of Business</b>										
- Flender Drives Pvt. Ltd.	-	3,759	-	-	-	-	-	-	-	-
<b>Remuneration **</b>										
- Mr. Sunil Mathur										
Short term employee benefits	-	-	-	174	-	-	-	-	158	-
Post-employment benefits	-	-	-	6	-	-	-	-	6	-
Share based payments	-	-	-	65	-	-	-	-	77	-
- Dr. Daniel Spindler										
Short term employee benefits	-	-	-	59	-	-	-	-	52	-
Share based payments	-	-	-	13	-	-	-	-	4	-
- Mr. Ketan Thaker										
Short term employee benefits	-	-	-	7	-	-	-	-	7	-
Post-employment benefits	-	-	-	*	-	-	-	-	*	-
Share based payments	-	-	-	4	-	-	-	-	2	-
- Others	-	-	-	3	-	-	-	-	3	-
<b>Payment to Trusts</b>										
- Siemens India Ltd. Indian Staff Provident Fund	-	-	-	-	443	-	-	-	-	458
- Siemens India Ltd. Gratuity Fund	-	-	-	-	407	-	-	-	-	403
<b>Sitting fees to Independent Directors/ Non-executive Directors</b>										
	-	-	-	3	-	-	-	-	4	-
<b>Commission to Independent Directors/ Non-executive Directors</b>										
	-	-	-	10	-	-	-	-	19	-
<b>Loans / Inter Corporate Deposits given</b>										
- Siemens Financial Services Pvt. Ltd.	-	3,810	-	-	-	-	5,740	-	-	-
- Siemens Factoring Pvt. Ltd.	-	710	-	-	-	-	450	-	-	-
- Siemens Technology and Services Pvt. Ltd.	-	200	-	-	-	-	437	-	-	-
- Siemens Industry Software (India) Pvt. Ltd.	-	-	-	-	-	-	1,125	-	-	-
<b>Repayment of Loans / Inter corporate deposits given</b>										
- Siemens Financial Services Pvt. Ltd.	-	3,110	-	-	-	-	6,650	-	-	-
- Siemens Factoring Pvt. Ltd.	-	1,030	-	-	-	-	270	-	-	-
- Siemens Technology and Services Pvt. Ltd.	-	200	-	-	-	-	437	-	-	-
- Siemens Industry Software (India) Pvt. Ltd.	-	-	-	-	-	-	1,125	-	-	-

\* denotes figures less than a million

\*\* Remuneration does not include the provisions made for gratuity, leave and medical benefits, as they are determined on an actuarial basis for the company as a whole.

Remuneration in the form of stock awards are included only upon vesting.

#### 44.5 Related party transactions (Continued)

Description	2021					2020				
	Ultimate Holding Company	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others	Ultimate Holding Company	Fellow Subsidiaries	Fellow Associates	Key managerial personnel	Others
<b>Loan Taken</b>										
- Siemens Factoring Pvt. Ltd.	-	10	-	-	-	-	-	-	-	-
<b>Loan Repaid</b>										
- Siemens Factoring Pvt. Ltd.	-	4	-	-	-	-	-	-	-	-
<b>Factoring of trade receivables ***</b>										
- Siemens Financial Services Pvt. Ltd.	-	192	-	-	-	-	28	-	-	-
<b>Outstanding Balances</b>										
<b>Receivables</b>										
- Siemens AG	334	-	-	-	-	468	-	-	-	-
- Siemens Technology and Services Pvt. Ltd.	-	73	-	-	-	-	31	-	-	-
- Siemens W.L.L.	-	55	-	-	-	-	121	-	-	-
- Flender Corporation	-	-	-	-	-	-	78	-	-	-
- Flender GmbH	-	-	-	-	-	-	77	-	-	-
- Others	-	344	2,226	-	-	-	379	273	-	-
<b>Payables</b>										
- Siemens AG	6,679	-	-	-	-	4,984	-	-	-	-
- Siemens Mobility GmbH	-	380	-	-	-	-	357	-	-	-
- Siemens Schweiz AG, Smart Infrastructure, Global Headquarters	-	278	-	-	-	-	118	-	-	-
- Siemens Electrical Drives (Shanghai) Ltd.	-	157	-	-	-	-	224	-	-	-
- Flender GmbH	-	-	-	-	-	-	457	-	-	-
- Others	-	1,411	2,624	-	-	-	1,070	3,499	-	-
<b>Loans / Inter corporate deposits to related parties</b>										
- Siemens Financial Services Pvt. Ltd.	-	7,400	-	-	-	-	6,700	-	-	-
- Siemens Factoring Pvt. Ltd.	-	680	-	-	-	-	1,000	-	-	-
<b>Loan Payable</b>										
- Siemens Factoring Pvt. Ltd.	-	6	-	-	-	-	-	-	-	-
<b>Interest receivable on inter corporate deposits</b>										
- Siemens Financial Services Pvt. Ltd.	-	53	-	-	-	-	57	-	-	-
- Siemens Factoring Pvt. Ltd.	-	3	-	-	-	-	8	-	-	-
<b>Remuneration payable **</b>										
- Mr. Sunil Mathur	-	-	-	118	-	-	-	-	87	-
- Dr. Daniel Spindler	-	-	-	35	-	-	-	-	21	-
- Mr. Ketan Thaker	-	-	-	2	-	-	-	-	*	-

\* denotes figures less than a million

\*\* Remuneration does not include the provisions made for gratuity, leave and medical benefits, as they are determined on an actuarial basis for the company as a whole. Remuneration in the form of stock awards are included only upon vesting.

\*\*\* The Group has entered into factoring arrangement for certain trade receivables on a non recourse basis. Collections arising of the said arrangement amounting to ₹ 192 (2020: ₹ 28) have been adjusted.

All transactions entered into with related parties defined under the Companies Act, 2013 during the financial year, were on arm's length pricing basis

# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

(Currency: Indian rupees millions)

### 45 Disclosure pursuant to Accounting Standard - Indian Accounting Standard - 19 'Employee Benefits' :

#### (i) Defined Contribution Plans

Amount of ₹ 266 (2020: ₹193) is recognised as an expense and included in "Employee benefits expense" (refer note 35) in the statement of profit and loss. The said amount is excluding of amounts recognised by discontinued operation.

#### (ii) Defined Benefit Plans

##### a) Amounts for the current period are as follows :

	Gratuity		Pension		Medical		Retirement Gift	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020
<b>I Change in defined benefit obligation</b>								
Liability at the beginning of the year	2,828	2,713	259	275	1,756	1,135	108	100
Addition due to acquisition (refer note 54)	208	-	-	-	1	-	*	-
Expenses recognised in profit and loss account:								
- Interest cost	195	191	16	22	117	80	7	7
- Current service cost	267	251	-	-	102	59	10	9
Recognised in Other Comprehensive Income:								
Remeasurement (gains) /losses								
Actuarial (gain) /loss arising from								
i Change in demographic assumptions	(78)	-	23	-	38	-	(29)	-
ii Change in financial assumptions	4	(59)	(3)	7	(57)	492	*	(2)
iii Experience variance	49	6	22	(9)	(142)	97	(2)	2
Benefits paid:								
Disbursements from Plan Assets	(20)	(57)	-	-	-	-	-	-
Disbursements directly paid by the employer	(178)	(85)	(36)	(36)	(71)	(68)	(6)	(3)
Less : Transferred to discontinued operation	(4)	(131)	-	-	(6)	(39)	(1)	(5)
Liability at the end of the year	<u>3,271</u>	<u>2,829</u>	<u>281</u>	<u>259</u>	<u>1,738</u>	<u>1,756</u>	<u>87</u>	<u>108</u>

<b>II Fair value of plan assets</b>								
Fair value of plan assets at the beginning of the year	2,486	1,937	-	-	-	-	-	-
Addition due to acquisition (refer note 54)	62	-	-	-	-	-	-	-
Expenses recognised in profit and loss Account								
- Return on plan assets	186	153	-	-	-	-	-	-
Remeasurement gains /(losses)								
- Actuarial gain /(loss) on plan assets	191	164	-	-	-	-	-	-
Contributions	407	403	-	-	-	-	-	-
Benefits paid	(19)	(57)	-	-	-	-	-	-
Less : Transferred to discontinued operation	(4)	(115)	-	-	-	-	-	-
Fair value of plan assets at the end of the year	<u>3,309</u>	<u>2,485</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

\* denotes figure less than million

45 Disclosure pursuant to Accounting Standard - Indian Accounting Standard - 19 'Employee Benefits' : (Continued)

	Gratuity		Pension		Medical		Retirement Gift	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020
<b>III Actual return on plan assets</b>								
Return on plan assets	186	153	-	-	-	-	-	-
Actuarial gain / (loss) on plan assets	191	164	-	-	-	-	-	-
Less : Transferred to discontinued operation	-	(14)	-	-	-	-	-	-
Actual return on plan assets	<u>377</u>	<u>303</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

<b>IV Amount recognised in the balance sheet</b>								
Defined benefit obligation at the end of the year	3,271	2,829	281	259	1,738	1,756	87	108
Fair value of plan assets at the end of the year	<u>3,309</u>	<u>2,485</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(Surplus) / Deficit	(38)	344	281	259	1,738	1,756	87	108
Effect Of Asset Ceiling	-	-	-	-	-	-	-	-
Current portion of surplus**	<u>(209)</u>	<u>344</u>	<u>35</u>	<u>33</u>	<u>67</u>	<u>65</u>	<u>2</u>	<u>1</u>
Non Current portion of deficit	171	-	246	226	1,671	1,691	85	107

\*\* Surplus represents prepaid contribution towards fund

<b>V.a Expenses recognised in the statement of profit and loss</b>								
Net Interest Expense	9	38	16	22	117	80	7	7
Current service cost	267	251	-	-	102	59	10	9
Less : Transferred to discontinued operation	-	(12)	-	-	-	(4)	-	(1)
Expense recognised in statement of profit and loss	<u>276</u>	<u>277</u>	<u>16</u>	<u>22</u>	<u>219</u>	<u>135</u>	<u>17</u>	<u>15</u>

<b>V.b Included in other comprehensive income</b>								
Return on plan assets excluding net interest	(191)	(164)	-	-	-	-	-	-
Net actuarial (gain) / loss recognised	<u>(24)</u>	<u>(53)</u>	<u>41</u>	<u>(2)</u>	<u>(161)</u>	<u>589</u>	<u>(32)</u>	<u>*</u>
Actuarial (Gain)/ Loss recognised in OCI	<u>(215)</u>	<u>(217)</u>	<u>41</u>	<u>(2)</u>	<u>(161)</u>	<u>589</u>	<u>(32)</u>	<u>*</u>

<b>VI Actuarial Assumptions</b>								
Discount Rate	5.90 / 6.92%	6.72%	6.92%	6.72%	6.92%	6.72%	6.92%	6.72%
Attrition rate:								
up to 30 years	9 / 20%	15.00%	-	-	9.00%	15.00%	9.00%	15.00%
31-50 years	6 / 10%	3.00%	-	-	6.00%	3.00%	6.00%	3.00%
above 50 years	4 / 10%	2.00%	-	-	4% - 6%	2.00%	4% - 6%	2.00%
Salary escalation / Pension increase rate / Medical cost increase rate	6% - 10% for current year 6% - 8% for future year	0% for current year 8% for future year	5.00%	5.00%	5.00%	5.00%	10% for current year 8% for future year	0% for current year 8% for future year

\* denotes figures less than a million

# Notes to the Consolidated Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## 45 Disclosure pursuant to Accounting Standard - Indian Accounting Standard - 19 'Employee Benefits' : (*Continued*)

	Gratuity		Pension		Medical		Retirement Gift	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020	Sept 2021	Sept 2020
<b>VII Sensitivity</b>								
Change in Liability for 0.5% decrease in discount rate	143	160	8	7	147	161	5	7
Change in Liability for 0.5% increase in discount rate	(133)	(147)	(7)	(7)	(130)	(142)	(4)	(6)
Change in Liability for 0.5% decrease in salary/ medical inflation rate	(132)	(134)	(7)	(7)	(113)	(124)	(4)	(6)
Change in Liability for 0.5% increase in salary/ medical inflation rate	140	158	7	7	127	141	5	7

<b>VIII Maturity Profile of Defined Benefit Obligation (Undiscounted amount)</b>								
Year 1	34	156	36	34	69	70	2	5
Year 2	31	144	35	33	72	72	6	4
Year 3	32	201	34	32	76	75	5	6
Year 4	36	184	33	31	80	79	5	5
Year 5	35	213	32	29	83	82	6	6
Years 6 to 10	163	1,588	134	118	510	497	56	53

<b>IX Weighted Average Duration of Defined Benefit Obligation</b>								
Duration (Years)	9.00	10.49	6.60	5.80	6.60	14.20	10.50	13.10

- b) The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligations a result of reasonable changes in key assumptions occurring at the end of the reporting year 2020-21 and the method of assumption used in preparing sensitivity analysis did not change compared to previous year.
- c) The fund formed by the Group manages the investments of the Gratuity fund. Expected rate of return on investments is determined based on the assessment made by the Group at the beginning of the year on the return expected on its existing portfolio, along with the estimated incremental investments to be made during the year. Yield on portfolio is calculated based on a suitable mark-up over the benchmark Government securities of similar maturities. The Group expects to contribute ₹ 290 (2020: ₹ 399) to gratuity fund in 2021-22.
- The investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally it aims to have a portfolio mix of equity instruments and debt instruments to minimise the risk exposed to investment.
- d) The estimates of future salary increases, considered in actuarial valuation, take in to account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- e) The Group has contributed ₹634 (2020: ₹ 562) towards provident fund during the year ended 30 September 2021. The said amount is excluding of amounts recognised by discontinued operation. The Guidance note issued by the Institute of Actuaries of India states that benefits involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. The Actuary has accordingly provided a valuation and based on the assumptions provided below there is no shortfall as at 30 September 2021.

45 Disclosure pursuant to Accounting Standard - Indian Accounting Standard - 19 'Employee Benefits' : (Continued)

The details of the fund and plan asset position as at 30 September are as follows:

	Sept 2021	Sept 2020
Present value of benefit obligation at year end	15,202	14,372
Fair value of plan assets at year end	15,534	14,376
Shortfall / (Surplus)	(332)	(4)
Effect due to Asset Ceiling	332	4

**Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:**

	Sept 2021	Sept 2020
Government of India securities (GOI) bond yield	6.92%	6.72%
Remaining term of maturity (in years)	9.00	10.49
Expected guaranteed interest rate	8.50%	8.50%

(iii) General descriptions of significant defined plans

**I Gratuity Plan**

Gratuity is payable to all eligible employees of the Group on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Group's Scheme whichever is more beneficial. Under the act, employee who has completed five years of service is entitled to the benefit. The level of benefits provided depends on the members length of service and salary at retirement age.

**II Medical**

Post retirement medical benefit is paid to the retired employees and their spouse till their survival and after their death, benefits are available to the employee's spouse. It consists of 3 components, which is health insurance, Domiciliary medical allowance and Group support in case the expenses incurred are more than the health insurance coverage subject to the ceiling limit as per the grades.

**III Pension**

Pension is paid to management cadre employees of the Group, who retired before March 1998. Pension is paid on monthly basis. In case of death in retirement, 100 percent pension is paid to the spouse for first six months and then 60 percent thereafter.

**IV Retirement Gift**

Retirement gift is paid, as a token of appreciation to the permanent employees who are separating on their retirement from the Company.

(iv) Broad category of Fair value of plan assets & as a percentage of total plan assets of the Gratuity plan

Particulars (Unquoted)	2021		2020	
	Amount	%	Amount	%
Equity Instruments	106	3.20%	59	2.38%
Debt Instruments	3,144	95.03%	2,426	97.62%
Insurance assets	59	1.77%	-	-
<b>Total Plan Assets</b>	<b>3,309</b>	<b>100.00%</b>	<b>2,485</b>	<b>100.00%</b>



# Notes to the Consolidated Financial Statements (*Continued*) for the year ended 30 September 2021 (Currency: Indian rupees millions)

## 46 Earnings per share

	Sept 2021	Sept 2020
Weighted average number of equity shares outstanding during the year	356,120,255	356,120,255
Profit after tax from continuing operations	10,501	7,695
<b>Basic and diluted earnings per share from continuing operations</b>	<b>29.49</b>	<b>21.62</b>
Profit after tax from discontinued operations	403	(9)
<b>Basic and diluted earnings per share from discontinued operations</b>	<b>1.13</b>	<b>(0.03)</b>
Total Profit for the year	10,903	7,686
<b>Basic and diluted earnings per share from total operations</b>	<b>30.62</b>	<b>21.59</b>

## 47 Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

The Group has amounts due to suppliers under MSMED as at 30 September. The disclosure pursuant to the said Act is as under:

	Sept 2021	Sept 2020
Principal amount due to suppliers under MSMED Act	1,691	1,429
Interest accrued and due to suppliers under Section 16 of MSMED Act, 2006 on the above amount, unpaid#	47	*
Payment made to suppliers (other than interest) beyond the appointed day during the year	662	4,203
Interest due and payable towards suppliers under MSMED Act towards payments already made	126	149
Interest accrued and remaining unpaid at the end of the accounting year	177	152

The information has been given in respect of such vendors to the extent they could be identified as 'micro and small enterprises' on the basis of information available with the Group

# Interest accrued is considered due upon claim from vendors

## 48 Share-based payment transactions

Share matching plan (SMP) and Siemens Stock Awards (SSA) at Siemens Ltd are classified as cash-settled transactions. The employees of the Group are eligible for the Ultimate Holding Company's share awards, i.e. SMP and SSA. Under SMP the employee may invest a specified part of their compensation in the Ultimate Holding Company's shares and at the end of 3 years (vesting period) employee gets one free share for every three shares purchased.

Under SSA, the Holding Company grants stock awards of the Ultimate Holding Company's shares to the Chief Executive Officer, Chief Financial Officer, members of senior management and other eligible employees. The vesting period is 4 years, after which the beneficiary gets certain number of shares which is tied to the performance of the employee in case of CEO Special Allocation scheme and performance of Ultimate Holding Company in case of Performance Oriented Siemens Stock Awards.

At the end of each reporting period, the Group recognises the fair value of the liability and the expense at each reporting period at the market price of the Ultimate Holding Company's share.

**Details of liabilities arising from the share-based payment transactions are as follows:**

	Sept 2021	Sept 2020
Other current financial liabilities	208	196
Other non-current financial liabilities	660	387
<b>Total carrying amount of the liabilities</b>	<b>868</b>	<b>583</b>

Effect of Share-based payment transaction on the profit & loss, shown under the head Employee benefit expense is ₹ 580 (2020: ₹ 371)

\* denotes figures less than a million

## 49 Derivative Instruments

### a) Forward Contracts and Option contracts

The Group uses forward contracts and options to mitigate its risks associated with foreign currency fluctuations having underlying transaction and relating to firm commitments or highly probable forecast transactions. The Group does not enter into any forward and options contracts which are intended for trading or speculative purposes.

The forward exchange and options contracts are fair valued at each reporting date with the resultant gains/ losses thereon being recorded in statement of profit and loss.

The details of forward contracts outstanding at the year end are as follows:

Currency	Buy			Sell		
	Number of contracts	Amount	Indian rupees equivalent	Number of contracts	Amount	Indian rupees equivalent
<b>US Dollar</b>						
30 Sept 2021	211	75	5,559	326	181	13,452
30 Sept 2020	257	68	5,002	429	247	18,212
<b>Euro</b>						
30 Sept 2021	437	229	19,681	286	124	10,637
30 Sept 2020	587	183	15,851	401	173	14,923
<b>Qatari Riyal</b>						
30 Sept 2021	3	3	58	1	8	152
30 Sept 2020	3	1	10	6	37	753
<b>Pound Sterling</b>						
30 Sept 2021	16	8	780	5	2	210
30 Sept 2020	18	6	615	4	2	144
<b>Swedish Krona</b>						
30 Sept 2021	7	19	162	1	2	19
30 Sept 2020	17	19	154	-	-	-
<b>Chinese Yuan</b>						
30 Sept 2021	50	83	957	1	*	4
30 Sept 2020	69	59	639	1	1	6

### b) Significant unhedged exposures in various foreign currencies as at the year end:

#### Payables

	Foreign currency		Indian rupees	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020
Bangladesh Taka	142	126	124	110
Sri Lankan Rupee	410	447	153	178
Singapore Dollar	1	*	63	41

#### Receivables and bank balances

	Foreign currency		Indian rupees	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020
Bangladesh Taka	234	144	203	126
Sri Lankan Rupee	490	409	182	163
Nepalese Rupee	64	18	40	12
United States Dollar	1	1	100	81

The forward contracts have been converted in Indian rupees, at the spot rates, as at 30 September 2021 to facilitate reading purposes only.

The Group has a policy of hedging its foreign currency exposure on a net basis.

\* denotes figures less than a million

# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

(Currency: Indian rupees millions)

### 49 Derivative Instruments *(Continued)*

#### c) Commodity Contracts

The Group uses Commodity Future Contracts to hedge against fluctuation in commodity prices. The following are outstanding future contracts entered into by the Group as at the year end.

Year	Commodity	Number of Contracts	Buy / Sell
Sept 2021	Copper	1,593	Buy
	Aluminium	271	Buy
	Silver	132	Buy
Sept 2020	Copper	1,365	Buy
	Aluminium	194	Buy
	Silver	74	Buy

**Note:** Each contract of copper is of 2,500 kg, Aluminium is of 5,000 kg and silver is of 30 kg.

### 50 Capital management

For the purpose of the Group's capital management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Group. The Group manages its capital to optimise returns to the shareholders and makes adjustments to it in light of changes in economic conditions or its business requirements. The Group's objectives are to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Group funds its operations through internal accruals. The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

### 51 Financial instruments

#### A) Accounting classifications and Fair values

##### i) Category-wise classification for applicable financial assets:

Particulars	Notes	Carrying value / Fair value	
		Sept 2021	Sept 2020
<b>I. Measured at fair value through Profit or Loss (FVTPL):</b>			
(a) Derivative contracts not designated as cash flow hedges	8 & 17	501	505
<b>Total I</b>		<b>501</b>	<b>505</b>
<b>II. Measured at amortised cost:</b>			
(a) Trade Receivables	6 & 13	37,738	32,226
(b) Loans	7 & 16	8,185	7,782
(c) Cash and cash equivalents and other bank balances	14 & 15	51,591	57,096
(d) Other assets (excluding derivative contracts)	8 & 17	4,088	2,552
<b>Total II</b>		<b>101,602</b>	<b>99,657</b>
<b>III. Measured at fair value through Other Comprehensive Income (FVTOCI):</b>			
(a) Derivative contracts designated as cash flow hedges	17	57	150
<b>Total III</b>		<b>57</b>	<b>150</b>
<b>Total (I+II+III)</b>		<b>102,160</b>	<b>100,312</b>

## 51 Financial Instruments (Continued)

### ii) Category-wise classification for applicable financial liabilities:

Particulars	Notes	Sept 2021	Sept 2020
<b>I. Measured at fair value through Profit or Loss (FVTPL):</b>			
(a) Derivative contracts not designated as cash flow hedges	23 & 27	591	344
(b) Liabilities related to share based payments	23 & 27	868	583
(c) Lease liabilities		2,178	2,084
<b>Total I</b>		<b>3,637</b>	<b>3,011</b>
<b>II. Measured at amortised cost:</b>			
(a) Trade payables		37,103	28,028
(b) Other liabilities (excluding derivative contracts)	23 & 27	5,485	2,063
<b>Total II</b>		<b>42,588</b>	<b>30,091</b>
<b>III. Measured at fair value through Other Comprehensive Income (FVTOCI):</b>			
(a) Derivative contracts designated as cash flow hedges	27	75	15
<b>Total III</b>		<b>75</b>	<b>15</b>
<b>Total (I+II+III)</b>		<b>46,300</b>	<b>33,117</b>

The carrying amounts of financial instruments such as cash and cash equivalents, other bank balances, short term loans, trade receivables, trade payables, current security deposits and other current financial assets and liabilities (except derivative financial instrument those being measured at fair value through other comprehensive income) are considered to be same as their fair values due to their short term nature.

### B) Fair Value Hierarchy

The following table provides fair value measurement hierarchy of financial instruments as referred in note (A) above:

#### Quantitative disclosures fair value measurement hierarchy as at 30 September 2021:

	Level 1	Level 2	Level 3	Total
<b>Assets at Fair value</b>				
<b>I. Fair values through profit and loss</b>				
(a) Derivative contracts not designated as cash flow hedges	-	501	-	501
<b>II. Fair value through Other Comprehensive Income</b>				
(a) Derivative contracts designated as cash flow hedges	-	57	-	57
<b>Liabilities at Fair value</b>				
<b>I. Fair values through profit and loss</b>				
(a) Derivative contracts not designated as cash flow hedges	-	591	-	591
(b) Liabilities related to share based payments	-	868	-	868
<b>II. Fair value through Other Comprehensive Income</b>				
(a) Derivative contracts designated as cash flow hedges	-	75	-	75

# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

(Currency: Indian rupees millions)

### 51 Financial Instruments *(Continued)*

Quantitative disclosures fair value measurement hierarchy as at 30 September 2020:

	Level 1	Level 2	Level 3	Total
<b>Assets at Fair value</b>				
<b>i) Fair values through profit and loss</b>				
(a) Derivative contracts not designated as cash flow hedges	-	505	-	<b>505</b>
<b>ii) Fair value through Other Comprehensive Income</b>				
(a) Derivative contracts designated as cash flow hedges	-	150	-	<b>150</b>
<b>Liabilities at Fair value</b>				
<b>i) Fair values through profit and loss</b>				
(a) Derivative contracts not designated as cash flow hedges	-	344	-	<b>344</b>
(b) Liabilities related to share based payments	-	583	-	<b>583</b>
(c) Derivative contracts designated as cash flow hedges	-	15	-	<b>15</b>

The Group enters into foreign exchange forward contracts, which are valued using valuation techniques that employs the use of market observable inputs.

There have been no transfers between Level 1 and Level 2 during the period.

### 52 Financial Risk Management

The Group's principal financial liabilities comprise of trade payable, security deposits and other financial liabilities. The Group's principal financial assets include trade and other receivables, cash and cash equivalents and other financial assets that arise from its operations. The Group also enters into hedging transactions to cover foreign exchange exposure risk.

The Group's operating business is exposed to market risk, credit risk and liquidity risk. In order to optimize the allocation of the financial resources across the segments, as well as to achieve its aims, the Group identifies, analyses and manages the associated market risks. The Group seeks to manage and control these risks primarily through its regular operating activities and uses derivative financial instruments when deemed appropriate. All derivative activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. The Group has a Risk Management Committee, which ensures that the Group's financial risk taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and mitigated in accordance with the Group's policies and overall risk appetite.

#### A Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk and interest rate risk. Financial instrument affected by market risks includes deposits, derivative financial instruments, trade receivables, trade payables and other financials assets.

#### Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes on foreign exchange rate. The Group operates internationally and transacts in several currencies and has foreign currency trade receivables and trade payables. Hence, the Group is exposed to foreign exchange risk. The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

## 52 Financial Risk Management (Continued)

### Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in major currencies like US Dollar and Euro with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives. The Group's exposure to foreign currency changes for all other currencies is not material.

Particulars	Effect on profit before tax		Effect on equity (net of tax)		
		Sept 2021	Sept 2020	Sept 2021	Sept 2020
US Dollar	+ 5%	536	507	*	-
	- 5%	(536)	(507)	*	-
Euro	+ 5%	133	188	*	-
	- 5%	(133)	(188)	*	-

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Consequently, could have unforeseen impact on Group's cost of borrowing or returns thus impacting the profit and loss.

The Group does not have any borrowings. Surplus funds are invested in deposits at fixed interest rates. The tenure of the deposits is managed to match with the liquidity profile of the Group.

## B Credit risk

Credit risk is defined as an unexpected loss in financial instruments if the contractual partner is failing to discharge its obligations in full and on time. The Group is exposed to credit risk from its operating and financing activities like trade receivables, deposits with banks, foreign exchange transactions and other financial instruments.

### Receivables

The major exposure to credit risk at the reporting date is primarily from receivables comprising of trade and project unbilled receivables (net).

Credit risk on receivables is limited due to the Group's large and diverse customer base which includes public sector enterprises, state owned companies and private corporates. The effective monitoring and controlling of credit risk through credit evaluations and ratings is a core competency of the Group's risk management system.

For receivables, as a practical expedient, the Group computes expected credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The ECL is calculated on rating and default probability percentage arrived from the historic default trend. In order to determine the default probability percentage, a simple average of customer wise specific allowances or actual bad debts incurred in succeeding year (derived rates) (whichever is higher) for the preceding three years is considered as a percentage of gross receivables positions for each grading i.e. rating and division of each customer as at reporting date.

The reconciliation of ECL is as follows:

Particulars	Sept 2021	Sept 2020
Balance at the beginning of the year	1,880	1,947
Loss allowance based on ECL	319	(67)
Balance at the year end	2,199	1,880

\* denotes figures less than a million

# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

(Currency: Indian rupees millions)

### 52 Financial Risk Management *(Continued)*

#### Other financial assets

Credit risk from cash and cash equivalents, term deposits and derivative financial instruments is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds, temporarily, are made only with approved counter parties and within credit limits assigned to each counterparty. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

#### C Liquidity risk

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group regularly monitors the rolling forecasts and actual cash flows, to ensure it has sufficient funds to meet the operational needs.

The table below summarise the maturity profile of the Group's financial liabilities based on contractually agreed undiscounted cash flows:

Particulars	Notes	Total	Payable within 1 year	More than 1 year
<b>As at 30 Sept 2021</b>				
Trade Payables		37,103	36,715	388
Derivative contracts	23 & 27	666	590	76
Other financial liabilities	23 & 27	6,353	3,651	2,702
		<b>44,122</b>	<b>40,956</b>	<b>3,166</b>
Lease liabilities	42	2,548	748	1,800
		<b>46,670</b>	<b>41,704</b>	<b>4,966</b>
<b>As at 30 Sept 2020</b>				
Trade Payables		28,028	27,871	157
Derivative contracts	23 & 27	359	330	29
Other financial liabilities	23 & 27	2,646	2,259	387
		<b>31,033</b>	<b>30,460</b>	<b>573</b>
Lease liabilities	42	2,379	876	1,503
		<b>33,412</b>	<b>31,336</b>	<b>2,076</b>

# Notes to the Consolidated Financial Statements (Continued)

## for the year ended 30 September 2021

(Currency: Indian rupees millions)

### 53 Information required for Consolidated Financial Statements pursuant to Schedule III of The Companies Act, 2013

Name of the entity	30 September 2021						30 September 2020									
	Net Assets		Share in Profit and Loss		Share in Other Comprehensive Income		Net Assets		Share in Profit and Loss		Share in Other Comprehensive Income					
	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount				
<b>Parent</b>																
Siemens Ltd.	95.41%	103,437	96.99%	11,030	100.01%	271	97.06%	11,301	99.53%	94,740	98.43%	7,565	100.61%	(167)	98.38%	7,398
<b>Subsidiary</b>																
Siemens Rail Automation Pvt. Ltd.	0.66%	716	2.33%	265	0.74%	2	2.29%	267	0.47%	448	1.57%	121	-0.61%	1	1.62%	122
C&S Electric Ltd.	3.86%	4,181	0.67%	77	-0.74%	(2)	0.64%	75	-	-	-	-	-	-	-	-
Non-controlling interest in subsidiary	0.07%	80	0.01%	1	-0.01%	*	0.01%	1	-	-	-	-	-	-	-	-
<b>Sub total</b>		<u>108,414</u>		<u>11,373</u>		<u>271</u>		<u>11,644</u>		<u>95,188</u>		<u>7,686</u>		<u>(166)</u>		<u>7,520</u>
Inter Company Elimination & Consolidation Adjustments		(4,843)		(469)		-		(469)		(268)		-		-		-
<b>GRAND TOTAL</b>		<u>100%</u>	<u>103,571</u>	<u>100%</u>	<u>10,904</u>	<u>100%</u>	<u>100%</u>	<u>11,175</u>	<u>100%</u>	<u>94,920</u>	<u>100%</u>	<u>7,686</u>	<u>100%</u>	<u>(166)</u>	<u>100%</u>	<u>7,520</u>

Net Assets and Share of Profit and Loss reported in the above table have been considered from the respective audited financial statements after making necessary changes for consolidation adjustments having impact on the consolidated net assets and net profits.

\* denotes figures less than a million



# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

(Currency: Indian rupees millions)

### 54 Business Combination

#### Summary of acquisition

On 1 March 2021, Siemens Limited ("The Holding Company") acquired 99.22% equity share capital of C&S Electric Limited from its promoters for a preliminary sale share consideration of ₹ 21,588 million, payable in cash, on cash free/debt free basis on terms and conditions that are mutually agreed between the parties to the transaction. From the aforesaid consideration, ₹ 2,000 million is currently retained as a holdback for a period of 2 years from the date of acquisition.

The fair value of assets and liabilities acquired have been determined provisionally in accordance with IND AS 103 'Business Combinations'. The purchase price has been provisionally allocated to the assets acquired and liabilities assumed based on the estimated fair values at the date of acquisition. The excess of the purchase price over the fair value of the net assets acquired has been allocated to goodwill. The Group believes that the information provides a reasonable basis for estimating the fair values of assets and liabilities acquired, but the potential for measurement period adjustments exists based on a continuing review of matters related to the acquisition. The purchase price allocation is expected to be completed within one year.

The acquisition addresses rising demand for low-voltage power distribution in India and apart from gaining access to the Indian market, the acquisition is also aimed at creating an export hub. Provisional goodwill is primarily attributable to overall synergies from future expected economic benefits, including enhanced revenue growth from expanded capabilities and geographic presence.

During the year ended 30 September 2021 the Group had recognised acquisition related cost of ₹ 36 million included in Legal and Professional Fees.

From the acquisition date, the results of operations of C&S Electric Limited included in the Consolidated financial statements for the year ended 30 September 2021 comprises revenue from operations of ₹ 5,960 million and net profit of ₹ 77 million. If the acquisition had occurred at the beginning of the year, Group's revenue from operations and net profit for the year ended 30 September 2021 would have been ₹ 140,648 million and ₹ 10,959 million respectively.

**Details of purchase consideration, the net assets acquired and provisional goodwill are as follows:**

<b>Particulars</b>	<b>Sept 2021</b>
Purchase consideration	21,588
Less: Purchase price adjustments	(18)
<b>Fair Value of Net identifiable assets acquired:</b>	
Property plant and equipment and right of use assets	2,976
Capital work in progress	47
Other intangible assets and intangible assets under development	6,833
Other assets and liabilities (net)	344
Less:	
Non-controlling interest	(80)
<b>Provisional goodwill</b>	<b>11,450</b>

## 55 Discontinued operations

On 1 January 2021, the Company divested its Mechanical Drives (MD) business as a going concern on a slump sale basis to Flender Drives Private Limited for a final consideration of ₹ 3,759 million (after adjusting the consideration of ₹ 4,400 million for changes in net current assets and capital expenditure as per the terms and conditions agreed between the parties). The gain on the sale transaction is ₹ 487 million for the year ended 30 September 2021. The tax expense on this transaction is ₹ 362 million (including write-off of deferred tax assets of ₹ 302 million) for the year ended 30 September 2021.

Revenue, expenses and net cash flows relating to discontinued operations is as follows:

	Sept 2021	Sept 2020
<b>Income</b>		
Revenue from operations	1,414	6,713
Other Income	*	2
<b>Total income</b>	<u>1,414</u>	<u>6,715</u>
<b>Expenses</b>		
Cost of materials consumed	994	3,859
Purchases of stock-in-trade	60	268
Decrease/(increase) in inventories of finished goods, work-in-progress and traded goods	(228)	601
Project bought outs and other direct costs	21	204
Employee benefits expense (refer note 56)	127	609
Finance costs	*	4
Depreciation and amortisation expense (refer note 56)	-	205
Other expenses (refer note 56)	68	978
<b>Total expenses</b>	<u>1,042</u>	<u>6,728</u>
<b>Profit/ (loss) before tax</b>	<u>372</u>	<u>(13)</u>
Gain from sale of discontinued operations	487	-
Tax credit / (expense)	(456)	4
<b>Profit/(loss) after tax</b>	<u>403</u>	<u>(9)</u>
Net cash used in operating activities	885	(68)
Net cash used in investing activities	(49)	(148)
Net cash used in financing activities	(3)	(1)

\* denotes figures less than a million

# Notes to the Consolidated Financial Statements *(Continued)*

## for the year ended 30 September 2021

### (Currency: Indian rupees millions)

56 During the previous year, the Group's operations and financial results were adversely impacted by the lockdown imposed to contain the spread of Coronavirus (COVID-19) since last week of March 2020. The operations gradually resumed with requisite precautions during the quarter ended 30 June 2020 with limited availability of workforce and disrupted supply chain. Consequently, the results for year ended 30 September 2020 were affected. Further, during the current year, the operations for the year ended 30 September 2021 were impacted due to the second wave of COVID-19. The expenses incurred during shutdown and partial shutdown in respect of factories and project sites for continuing operations and discontinued operations were as under:

Particulars	Continuing operations		Discontinued operations	
	Sept 2021	Sept 2020	Sept 2021	Sept 2020
i) Employee benefits expense	171	1,689	-	153
ii) Depreciation and amortization expense	25	609	-	81
iii) Other expenses	66	549	-	101
	<u>262</u>	<u>2,847</u>	<u>-</u>	<u>335</u>

57 Detailed disclosures pertaining to expenditure on Corporate Social Responsibilities activities are provided in Director's Report.

58 The Holding Company has executed a Power Purchase Agreement and entered into a Share Subscription and Shareholders Agreement on 22 October 2021, for the subscription of 26% of the paid-up equity share capital of Sunsole Renewables Private Limited, subject to fulfilment of conditions precedent as agreed between the parties.

As per our report of even date

For B S R & Co. LLP

Chartered Accountants  
ICAI Firm Registration Number:- 101248W/W-100022

**Farhad Bamji**  
Partner  
Membership No: 105234

Mumbai  
Date: 24 November 2021

For and on behalf of the Board of Directors of Siemens Limited

**Deepak S. Parekh**  
Chairman  
DIN: 00009078

**Mehernosh B. Kapadia**  
Director and Chairman of  
Audit Committee  
DIN: 00046612

Mumbai  
Date: 24 November 2021

**Sunil Mathur**  
Managing Director  
and Chief Executive  
Officer  
DIN: 02261944

**Daniel Spindler**  
Executive Director  
and Chief Financial  
Officer  
DIN: 08533833

**Ketan Thaker**  
Company Secretary  
ACS No. 16250

# Siemens Limited

CIN : L28920MH1957PLC010839

Registered Office: Birla Aurora, Level 21, Plot No. 1080, Dr. Annie Besant Road, Worli, Mumbai – 400030

Phone: +91 22 6251 7000; Fax: +91 22 2436 2403; Website: [www.siemens.co.in](http://www.siemens.co.in)

E-mail: [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com)

**64<sup>th</sup> Annual General Meeting on Friday, 4<sup>th</sup> February 2022, at 4.30 p.m. (IST)**

## PROXY FORM \*

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	L28920MH1957PLC010839
Name of the Company	SIEMENS LIMITED
Registered Office	Birla Aurora, Level 21, Plot No. 1080, Dr. Annie Besant Road, Worli, Mumbai – 400030
Name of the Member(s)	
Registered Address	
E-mail ID	
Folio No. / DP ID - Client ID	

I / We being the Member(s) of \_\_\_\_\_ shares of above named Company, hereby appoint:

(1) Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him / her

(2) Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him / her

(3) Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_

As my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 64<sup>th</sup> Annual General Meeting ("AGM") of the Company will be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), on Friday, 4<sup>th</sup> February 2022 at 4.30 p.m. (IST) and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Description of the Resolutions as set out in the 64 <sup>th</sup> AGM Notice dated 24 <sup>th</sup> December 2021	No. of shares held	FOR	AGAINST
<b>ORDINARY BUSINESS</b>				
1.	Consideration and adoption of: (a) the Audited Financial Statements of the Company for the Financial Year ended 30 <sup>th</sup> September 2021, together with the Reports of the Board of Directors and the Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 30 <sup>th</sup> September 2021 and the Report of the Auditors thereon.			
2.	To declare a Dividend on equity shares for the Financial Year ended 30 <sup>th</sup> September 2021. {The Board of Directors has recommended a Dividend of ₹ 8/- per equity share of ₹ 2/- each.}			
3.	Re-appointment of Dr. Daniel Spindler (DIN: 08533833) as a Director, who retires by rotation and being eligible, offers himself for re-appointment.			

Continued.....

Item No.	Description of the Resolutions as set out in the 64 <sup>th</sup> AGM Notice dated 24 <sup>th</sup> December 2021	No. of shares held	FOR	AGAINST
<b>SPECIAL BUSINESS</b>				
4.	Appointment of Mr. Willem Rudolf Basson (DIN: 09081871) as Director of the Company.			
5.	Change in place of keeping Registers, Returns, etc.			
6.	Payment of remuneration to Messrs R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010), the Cost Auditors of the Company for FY 2021-22.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

Signature of Member(s): \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix Revenue Stamp
---------------------------

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the AGM.
2. For the Resolutions, Statement setting out material facts thereon and notes, please refer to the Notice of the AGM.
3. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
4. Please convey your assent in column "FOR" and dissent in the column "AGAINST" by placing a tick (✓) mark in the appropriate column above.

**\* Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to send proxy forms to the Members. However, Members are requested to note that since the AGM is being held through VC/OAVM, as per the framework provided in MCA Circulars (details of which are provided in the Notice of AGM), the requirement regarding appointment of proxies by the Members will not be available for this AGM.**

# Siemens Limited

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Phone: +91 22 6251 7000; Fax: +91 22 2436 2403 Website: [www.siemens.co.in](http://www.siemens.co.in)

E-mail: [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com)

Dear Member(s),

## Sub.: Green Initiative – Electronic mode of service of documents

The Ministry of Corporate Affairs (“MCA”) has allowed paperless compliances by companies through electronic mode by providing the same under the Companies Act, 2013 and rules framed thereunder. The Members can receive various notices and correspondences including Annual Reports i.e. Audited Financial Statements, Directors’ Report, Auditors’ Report, etc., through electronic mode (e-mail). The initiative taken by the MCA is a welcome move for the society at large, as this will reduce paper consumption to a great extent, ensure prompt receipt of communication and avoid loss of document in postal transit.

We are sure that you will whole-heartedly support this initiative for a greener environment and co-operate with the Company to make it a success. We therefore request you to fill up the E-communication Registration Form below, for registering your e-mail ID as under:

- i) In respect of shares held in physical form, to the Registrar and Share Transfer Agent (“RTA”), TSR Darashaw Consultants Private Limited at [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in), or to the Company at [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com); and
- ii) In respect of shares held in demat (electronic) mode, to your respective Depository Participant(s).

Please note that the E-Communication Registration Form should be signed by the sole / first named Member as per the specimen signature recorded with the RTA. Even after registering for E-communication, the Members are entitled to receive such communication in physical form, upon request. These documents will also be available on the Company’s website [www.siemens.co.in](http://www.siemens.co.in) for your ready reference under the Investor Relations section.

Let’s be part of this ‘Green Initiative’

Thanking You,  
Yours faithfully,

For **Siemens Limited**

**Ketan Thaker**  
Company Secretary



## E-COMMUNICATION REGISTRATION FORM

### Siemens Limited

Birla Aurora, Level 21, Plot No. 1080,  
Dr. Annie Besant Road, Worli, Mumbai – 400030

Folio no. / DP ID & Client ID : \_\_\_\_\_

Name of sole / first named Member : \_\_\_\_\_

Name of Joint Holder(s) : \_\_\_\_\_

E-mail ID address (to be registered) : \_\_\_\_\_

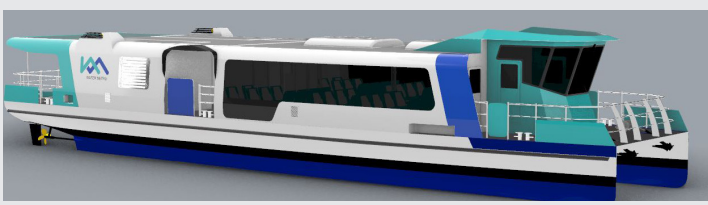
Phone number (alongwith STD Code) / Mobile no. : \_\_\_\_\_  
(in case the shares are held in physical form)

Date: \_\_\_\_\_

Signature of the Member: \_\_\_\_\_

**Note:** Members holding shares in demat mode are requested to register their e-mail ID with their respective Depository Participant (“DP”). Members are requested to keep DP / RTA / Company informed as and when there is any change in the e-mail address. Unless the e-mail ID given above is changed by you by sending another communication in writing / e-mail, the Company will continue to send the documents to you on the above mentioned e-mail ID.





India's largest and most advanced shipbuilder Cochin Shipyard Ltd. selected Siemens to implement advanced marine solutions for India's first fleet of 23 boats equipped with electric propulsion and battery integrated technology.

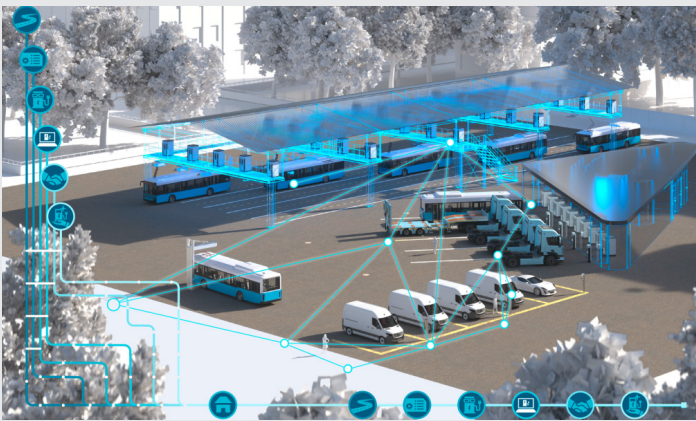


Siemens Limited is implementing driverless train solutions for Bengaluru Metro Rail Corporation Limited (BMRCL) that will improve capacity, punctuality, reliability, and provide enhanced safety for passengers.

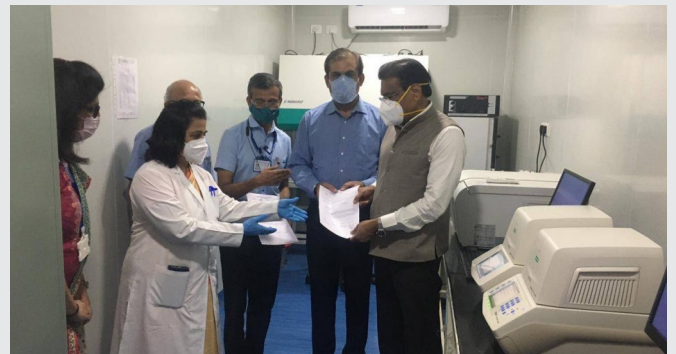
**Enabling the adoption of innovative digital solutions for efficient and uninterrupted power supply in Delhi**

- EnergyIP MDM technology deployed for over 2 Lakh Smart Meters installed in Tata Power-DDL's distribution area, with a potential to reach 1.8 million households
- Facilitated remote meter reading for up to 1.5 Lakh customers per month, to ensure security and reduction in carbon footprints
- In line with ESG\* targets of energy efficiency, reduced greenhouse gas emissions and improved safety

Siemens Limited and Tata Power Delhi Distribution Limited (Tata Power-DDL) jointly announced the successful deployment of Smart Metering Technology for over 2,00,000 Smart Meters in North Delhi.



Siemens Limited has signed a Memorandum of Understanding (MOU) with Switch Mobility Automotive Limited to jointly address need of electric commercial vehicle customers and execute E-Mobility Projects in India.



Siemens Limited provided critical diagnostics equipment for COVID-19 response to Government Medical College and Hospital, Aurangabad.



The Company received the 15<sup>th</sup> BML Munjal Award for "Business Excellence through Learning and Development" in the Private Sector Manufacturing category.



Siemens Limited supported communities with critical equipment as well as its employees and their families through vaccination camps as part of measures against COVID-19.

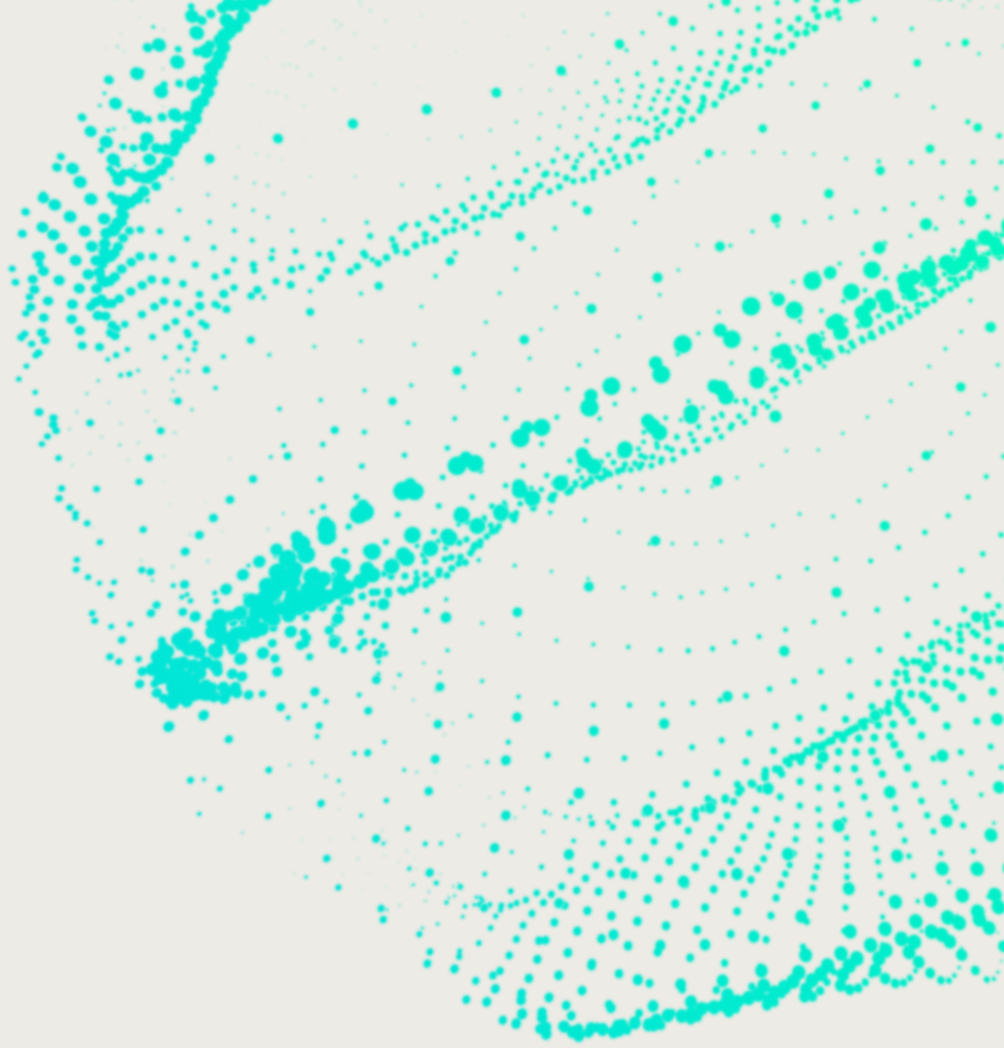


**Siemens Limited**

CIN: L28920MH1957PLC010839

Birla Aurora, Level 21, Plot No. 1080,  
Dr. Annie Besant Road, Worli, Mumbai – 400030  
Toll-Free Helpline: 1800 209 1800  
Website: <http://www.siemens.co.in>  
Facebook: [www.facebook.com/SiemensPayItForward](http://www.facebook.com/SiemensPayItForward)  
Twitter: [www.twitter.com/siemensindia](http://www.twitter.com/siemensindia)

**SIEMENS**



**Business Responsibility  
Report 2021**

# Business Responsibility Report FY 2020-21

## Section A: General Information about the Company

1. **Corporate Identity Number (CIN) of the Company:** L28920MH1957PLC010839
2. **Name of the Company:** Siemens Limited
3. **Registered Address:** Birla Aurora, Level 21, Plot No.1080, Dr. Annie Besant Road, Worli, Mumbai-400030
4. **Website:** <https://www.siemens.co.in/>
5. **E-mail id:** [communication.in@siemens.com](mailto:communication.in@siemens.com)
6. **Financial Year Reported:** 1<sup>st</sup> October 2020 – 30<sup>th</sup> September 2021
7. **Sector(s) the Company is engaged in (industrial activity code-wise)**

Power generation, transmission and distribution, intelligent infrastructure for buildings, distributed energy systems, automation and digitalization for discrete and process manufacturing industries, intelligent mobility solutions for rail and road transport.

Industrial Group	Description
271	Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus
281	Manufacture of general purpose machinery
279	Manufacture of other electrical equipments
261	Manufacture of electronic components and optical products
302	Manufacture of railway locomotives and rolling stock
331	Repair of fabricated metal products, machinery and equipments
332	Installation of industrial machinery and equipments

List three key products/services that the Company manufactures/provides (as in balance sheet)

- Switchgear Items
- Switchboards, control boards and miscellaneous accessories
- Transformers, Turbine and Motors

For additional information on products and solutions, please refer to the Annual financial statements and Management Discussion and Analysis Report.

8. Total number of locations where business activity is undertaken by the Company
  - a. **Number of International Locations:** Siemens Limited has 2 international locations - Sri Lanka, Bangladesh.
  - b. **Number of National Locations:** Siemens Limited has 34 locations including factories across India.
  - c. **Markets served by the Company - Local/State/National/International:** Siemens Limited has a pan-India presence and supports Siemens business in Bangladesh, Nepal, Bhutan and Sri Lanka.

## Section B: Financial Details of the Company

1. **Paid up Capital (INR Million):** 712
2. **Total Turnover (INR Million):** 131,045
3. **Total profit after taxes (INR Million):** 11,030
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** 2.0% (of average net profit for previous three years)
5. **List of activities in which expenditure in 4 above has been incurred:**

The three thematic areas of the CSR projects are as follows:

- a. Education
- b. Social
- c. Environment

The list of projects where the expenditures were incurred is available at the link:

<https://assets.new.siemens.com/siemens/assets/api/uuid:b624cbce-72f2-4b63-8d48-9ea2a091f9cb/SiemensLimitedCSRProjectsFY21.pdf>

#### Section C: Other Details

**1. Does the Company have any Subsidiary Company/ Companies?**

Siemens Rail Automation Pvt. Ltd and C&S Electric Limited with effect from 1<sup>st</sup> March 2021 are subsidiary companies as of 30<sup>th</sup> September 2021.

**2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

Yes, Siemens Rail Automation Pvt. Ltd. a wholly owned Subsidiary Company participates in the BR initiatives of the parent Company.

**3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR Initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60]**

It is mandatory for all the channel partners, suppliers, vendors, NGOs and contractors to adopt the Code of Conduct for Siemens Suppliers which contains the basic principles and rules for business conduct.

#### Section D: BR Information

**1. Details of Director/Directors responsible for BR**

**a. Details of the Director/Directors responsible for implementation of the BR policy/policies.**

- DIN: 02261944
- Name: Mr. Sunil Mathur
- Designation: Managing Director and Chief Executive Officer

**b. Details of the BR head**

S. No.	Particulars	Details
1.	DIN Number (if applicable)	----
2.	Name	Lakshmi Chatterjee
3.	Designation	Head of Strategy & Sustainability
4.	Telephone number	1800 209 1800
5.	E-mail id	lakshmi.chatterjee@siemens.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for...	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Does the policy conform to any national /international standards? If yes, specify?	The policies are in line with international standards and practices such as ISO 14001, BS OHSAS 18001, UNGC Guidelines, UN Human Rights Declaration and European Human Rights Convention; ILO Principles, OECD Guidelines for Multinational Enterprises, UN Convention against Corruption; IFRS as issued by the IASB.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Significant policies are formulated at Siemens Group level in Germany. The policies are adopted by Siemens Limited in India with Board level undertaking to the Group on implementation of key policies in India. The policies pertaining to local legislations and systems are approved and signed by relevant senior management personnel.								
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Company has a well-established internal governance structure to ensure the implementation of various policies, internal regulations and procedures. The Company has internally mapped all policies, internal regulations and procedures to business functions responsible for implementation. The MD/ CEO has the ultimate responsibility to oversee implementation of all policies. Siemens Limited reviews the implementation of policies through its internal audit and risk management process.								
6.	Indicate the link for the policy to be viewed online?	<p><b>Siemens Business Conduct Guideline is available at:</b>  <a href="https://new.siemens.com/in/en/company/investor-relations/business-ethics.html">https://new.siemens.com/in/en/company/investor-relations/business-ethics.html</a></p> <p><b>Siemens Compliance policy is available at:</b>  <a href="https://new.siemens.com/in/en/company/investor-relations/business-ethics.html">https://new.siemens.com/in/en/company/investor-relations/business-ethics.html</a></p> <p><b>Siemens Safety, Health and Environment policy is available at:</b>  <a href="https://new.siemens.com/in/en/company/sustainability.html">https://new.siemens.com/in/en/company/sustainability.html</a></p> <p><b>Siemens CSR policy is available at:</b>  <a href="https://assets.new.siemens.com/siemens/assets/api/uuid:be123153-67bc-4f31-9856-46c12634b6cd/SiemensLimitedCSRPolicy11May2021.pdf">https://assets.new.siemens.com/siemens/assets/api/uuid:be123153-67bc-4f31-9856-46c12634b6cd/SiemensLimitedCSRPolicy11May2021.pdf</a></p> <p>All other policies are available on the Company's internal network.</p>								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. All the policies communicated to internal stakeholders are available on the internal network. Policies communicated to external stakeholders are available on the Siemens website.								
8.	Does the Company have in-house structure to implement the policy/ policies?	Yes. There is an in-house structure with clearly defined roles and responsibilities that are periodically reviewed under the Internal Risk Management Framework.								

9.	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy/ policies?	Yes. The Company's stakeholder grievance is covered by the Code of Conduct for Suppliers and Business Conduct Guidelines. In order to ensure integrity and transparency of business processes, there is a system in place to identify any non-compliance and violations of the Siemens Business Conduct Guidelines. The tool, "Tell Us", can be used for whistle blowing and redressal of other grievances by employees, customers, suppliers and other stakeholders 24/7 worldwide either online or by telephone, and in any of the 150 languages. All the concerns reported on "Tell Us" are addressed through proper channels and if found to have merit, disciplinary action is taken. There is also an ombudsman in place where grievances can be raised. Employees and third parties can confidentially and anonymously confide in these impartial professionals should they observe improper business practices in the Company. Siemens has a Business Enquiry Helpline number (1800 209 1800) to register any complaints. Siemens also has a "Contact Us" page through which customers and other stakeholders can register queries on investor relations, press and media, general or other enquiries.
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes. The Company's policies and procedures are supported by Internal Risk Controls. These risk controls are continually evaluated for their efficacy through internal audit mechanism and are also subject to external audits.

**2a. If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

Not applicable, as Siemens Limited has policies in place for all the 9 Principles

**3. Governance related to BR**

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year**

The BR performance is reviewed quarterly by the CEO.

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Siemens Limited has been publishing a Business Responsibility Report annually since eight years. The reports can be viewed at following URL

<https://new.siemens.com/in/en/company/investor-relations/annual-report.html>

**Section E: Principle-wise performance**

**PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY**

- 1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?**

Siemens Limited holds the highest standards of integrity and behavior, ensuring compliance and adherence to the law and internal regulations through the Siemens Compliance System. Compliance is firmly embedded throughout the Company – not only through internal regulations, related processes and controls, but also through requirement for all Siemens managers to actively take responsibility, ongoing communication and training measures that help to strengthen the culture of integrity in Siemens. "Always act as if it were your own company" - This maxim of an active ownership culture applies to every individual – from Managing Board members to trainees. Every employee takes responsibility for Siemens' success and for ensuring that this success is achieved in an exemplary manner – in accordance with our corporate values. This is the overarching element of the Siemens Compliance System with its three action levels: Prevent, Detect and Respond. Siemens Limited. has zero tolerance for corruption and violations of the principles of fair competition. Siemens Limited. has adopted the Business Conduct Guidelines (BCG), which details the minimum acceptable ethical and responsible business practices for employees, channel partners, suppliers, vendors, NGOs and contractors. The Company is committed to transparency and best practices are also extended to suppliers through the Code of Conduct for

suppliers, channel partners and other external stakeholders. This code warrants compliance with laws prohibiting child labor, taking responsibility for the health and safety of their employees and ensuring that suppliers act in accordance with applicable statutory and international standards regarding environmental protection and human rights. The effectiveness of compliance at Siemens Limited, rests on the Company-wide governance performed by Compliance organization, supported by clear reporting lines.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

	Received in 2020-21	Percentage satisfactorily resolved by the management
Stakeholder complaints related to ethics, bribery and corruption	22	82%

Siemens takes all matters raised concerning possible ethics & compliance breaches very seriously. These matters are recorded, evaluated and investigated in a transparent, fair and objective manner following the Siemens' laid down processes. For the year ended 30<sup>th</sup> September 2021, out of the total 22 such matters received, 21 were completed as on 15<sup>th</sup> October 2021 and the one remaining matter is in finalization stage.

**PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE**

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

Listed below are products and services which incorporate environment and safety risks/concerns

- i. Regenerative breaking in EMU Mumbai and Electric Locomotives
- ii. Sinorix 227 and Sinorix 1230 Fire Extinguishing system
- iii. Premium Efficiency Motors IE3 with CE Complaint Design

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

- i. **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

- ii. **Sinorix 227 and Sinorix 1230 Fire Extinguishing system**

Sinorix 1230 and Sinorix 227 are room protection systems. Both systems are using chemical agents to absorb the heat and thus extinguish the fire. Sinorix 1230 uses 3M Novec 1230 Fire Protection Fluid and Sinorix 227 uses HFC 227ea.

**Sinorix 227ea Fire Extinguishing system**

With an ozone depletion potential of 0, it has no influence on the ozone layer. Extinguishing without leaving any residue and without risk of corrosion is the optimal prerequisite to contain for example a smoldering fire in electrical switching rooms, telecommunication systems, data centers or server rooms – before it even gets started. Sinorix 227 extinguishing solutions provide optimal protection against risks of fire and allows fast, reliable extinguishing.

**Sinorix 1230 Fire Extinguishing system**

Sinorix 1230 reacts rapidly with superior extinguishing properties – protecting valuable assets and ensuring extinguishing without negative impact on the environment. The agent is also non-toxic, non-flammable and non-explosive. The Sinorix 1230 fluid has zero ozone depletion potential. The Sinorix 3M™ Novec™ 1230 Fire Protection fluid is non-corrosive and non-conductive and does not damage high-value assets such as delicate electronics. Environmentally friendly and Novec 1230 fluid is safe for people thanks to one of the highest safety margins.

Maintaining process loss of HFC 227ea gas during gas filling process at 1.6% against consumed quantity in FY21, thereby also reducing the CO<sub>2</sub> emission.

## II. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

### i. Regenerative braking in EMU Mumbai and Electric Locomotives

Environmental Impact at EMU Mumbai

- Low energy consumption and low life cycle costs
- Regenerative braking system saves up to 30% energy
- Increased wheel and other mechanical component life through regenerative brakes

Environmental Impact with Electric Locomotives

- Regenerative braking system saves up to 15% energy depending on the line topology

Overall Customer Impact

- Reduced Maintenance cost
- Reduce downtime in the event of breakdown
- Maximum residual value

### iii. Premium Efficiency Motors IE3 with CE Complaint Design

Motors being a high energy consumption equipment, the new EU Regulation for CE mandates motors to be designed with nominal efficiency without any tolerance. Siemens meets the requirement by providing CE compliant IE3 motors.

Compliance to the new requirement resulted in:

- Carbon Footprint Reduction : 44,982 Tons
- Mtoe Savings : 9,268
- Saving Energy Bills : INR 862.3 million
- Generation Capacity saved : 18.7 MW

## 2. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

Siemens Limited, through efforts such as strict Code of Conduct, External Sustainability Audits (ESA) for select suppliers and an efficient Vendor Monitoring system, ensures sustainability throughout the value chain.

Sustainability agenda is extended to suppliers through the Supplier Code of Conduct (SCC) to which all suppliers have to commit to and the Business Conduct Guidelines (BCG). It lays down the requirements on various aspects of sustainability such as legal compliance, anti-bribery and anti-corruption, human rights, health and safety and environment protection.

Supplier selection, assessment and evaluation process includes elements of sustainability. This includes self-assessments by suppliers, risk assessments by Siemens Limited and external audits by third party.

## 3. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

77% of material from third party suppliers is sourced locally within India. Out of this 34% is sourced from small and medium enterprises. Several MSMEs (Micro, Small and Medium Enterprises) rely on companies like Siemens for their business. Siemens continuously looks for opportunities to source its material locally. It has a registered base of about 2,462 MSMEs. For products which are currently not manufactured locally, it promotes indigenization through the following steps:

- Identification of products currently imported
- Indigenization of the product and testing
- Handholding of suppliers for manufacturing product locally

## 4. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10 %, > 10%). Also, provide details thereof, in about 50 words or so.

The Company is committed to increasing waste efficiency through the ISO 14001 certification for all plants. Waste is segregated into hazardous and non-hazardous waste and managed through a robust waste management system.



- I. Hazardous waste is sent to registered recyclers or to CPCB Authorized TSDf (transportation, storage and disposal facilities) for disposal. E-waste and plastics waste are sent to registered recyclers.
- II. Non-hazardous waste such as paper is reused as packaging material. Damaged laptops are disposed as e-waste through government approved registered recyclers.
- III. Industrial effluents are treated in the effluent treatment plant and sewage is treated in the sewage treatment plant. The treated water is used for maintaining green belt.
- IV. Company is authorized by Central Pollution Control Board (CPCB) to collect, dispose and recycle e-waste under Extended Producer Responsibility (EPR) which also complies with the E-Waste Management Rules of 2016. In FY2020-21 the Company has disposed e-waste of 7 metric tonnes (MT).
- V. The Company is also authorized by CPCB as "Brand Owner" for plastic waste management (collection, disposal and recycling) under Extended Producer Responsibility which complies with Plastic Waste Management Rules, 2016. 299 metric tonnes (MT) of plastic in FY2020-21 has been recycled.

**PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES**

**1. Please indicate the Total number of employees.**

Siemens Limited has 8,608 employees as of 30<sup>th</sup> September 2021.

**2. Please indicate the Total number of employees hired on temporary/ contractual/ casual basis.**

Siemens Limited has 382 on direct contract as of 30<sup>th</sup> September 2021. This does not include third party work force.

**3. Please indicate the Number of permanent women employees.**

Siemens Limited has 828 permanent women employees as of 30<sup>th</sup> September 2021.

**4. Please indicate the Number of permanent employees with disabilities**

Siemens Limited has 11 permanent employees with disabilities as of 30<sup>th</sup> September 2021.

**5. Do you have an employee association that is recognized by management?**

Yes

**6. What percentage of your permanent employees are members of this recognized employee association?**

Company currently does not track them separately.

**7. Please indicate the Number of complaints relating to child labor, forced labor, involuntary labor and sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr No	Category	No of complaints filed during the financial year	No of complaints pending (as on 30 <sup>th</sup> September 2021)
1.	Child labor / forced labor / involuntary labor	0	0
2.	Sexual harassment	0	0
3.	Discriminatory employment	0	0

**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- Permanent Employees
- Permanent Women Employees
- Casual/Temporary/Contractual Employees
- Employees with Disabilities

Sr No	Category	Trainings for skill up gradation (in hours)	Trainings for safety in our safety training center SITRUST (in hours)
1.	Permanent Employees	146,110	14,816
2.	Permanent Women Employees	21,846	544
3.	Casual/Temporary/Contractual Employees	3,807	12,244
4.	Employee with disabilities	-	-

**PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED.**

**1. Has the company mapped its internal and external stakeholders?**

Siemens Limited has mapped the internal and external stakeholders in a structured way and carries out engagements with investors, employees, customers, suppliers, business partners, civil society organizations, etc. Siemens identifies the interests of internal stakeholders like permanent employees through engagement surveys and periodic worker settlement reviews. The external shareholders are mapped through defined activities such as customer events, channel partner meet, SMES trainings etc. The Company reaches out to the stakeholders on regular basis through analyst meets, AGM and press releases. Siemens participates in the events organized by trade associations and contributes by providing inputs when requested.

**2. Out of the above, has the company identified disadvantaged, vulnerable & marginalized stakeholders?**

Siemens Limited believes in supporting the growth and development of economically weaker sections of society. Siemens identifies marginalized and disadvantaged groups through need assessment and engagement with local communities under the Corporate Citizenship framework. The marginalized and disadvantaged communities, Siemens works with include, tribal and rural communities, less privileged children, urban and rural youth, engineering students from low-socio economic background, women, workers in the unorganized sector, communities who are underserved and lack access to infrastructure.

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof.**

The initiatives undertaken for disadvantaged, vulnerable and marginalized stakeholders are elaborated in Annexure VI of Annual Report FY 2020-21 (CSR Report).

**PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

**1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Siemens Limited respects human rights and our Business Conduct Guidelines are in line with the U.N. Human Rights Declaration and European Human Rights Convention as well as ILO Principles. The Company also has a policy on Sustainability in the Supply Chain which addresses human rights issues and how to deal with them across the supply chain. The Siemens Code of Conduct also prescribes to principles of Human Rights which is applicable to all suppliers, vendors, channel partners and other business partners associated with the Company.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

No Human Rights related complaints were received by the Company in FY20-21.

**PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?**

Siemens is committed to environment protection through its robust global "Eco efficiency program". All the factories are ISO 14001 certified. The EHS Policy specifies that the EHS requirements are to be extended to the Suppliers and Contractors. Siemens impresses on the business partners to act in accordance with the applicable statutory and international standards regarding environmental protection in order to minimize adverse environmental impacts and

make continual improvements in environmental protection. The suppliers and contractors are communicated about these EHS requirements right from the bid-phase and the businesses continuously engage with them via workshops, trainings etc.

**2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/ N. If yes, please give hyperlink for webpage etc.**

Yes, Siemens Limited has environmental initiatives in the areas of reduction in greenhouse gases and Energy Efficiency program. The initiatives are implemented along the entire value chain - in the supply chain, in the Company's own operations, and through the goods and services provided to customers. Herewith mainly contributing to "Affordable and Clean Energy", SDG 12 "Responsible Consumption and Production" as well as SDG 13 "Climate Action". There are several ways to reach this goal, such as:

- a. Use energy as efficiently as possible
- b. Increase the share of renewable energy
- c. Accelerate the switch of the remaining conventional electricity generation to low-carbon fuels
- d. Redesign electricity markets to ensure sufficient investments into a sustainable, secure and efficient energy system
- e. Accelerate the uptake of highly flexible technologies to integrate renewable energies and ensure system stability
- f. Accelerate the decarbonization of other sectors with sector integration.

Siemens considers the increase of its own energy efficiency, and thus also of its carbon efficiency, to be a win-win situation, as reduction in energy consumption not only protects the environment but also cuts costs. The hyperlink to the initiatives undertaken is provided below:

<https://www.siemens.com/global/en/home/company/about/businesses/real-estate/green-greener-kalwa.html>

Implementation plan of CO<sub>2</sub>-neutral Siemens program has been rolled out globally with ultimate goal to become CO<sub>2</sub>-neutral by 2030.

Some notable steps taken this year in continuation to previous year are:

- Solar rooftop project which resulted in saving 2,915 tonnes of CO<sub>2</sub> emissions.
- Undertaken energy efficient programs at our various factories and plants which resulted in savings of 207 MWh of electricity or 163 tonnes of CO<sub>2</sub>.

Siemens Limited believes it is their responsibility to address global long-term challenges and ensures the business is run in a socially, ecologically and economically responsible manner. The Company works to develop new products and services which addresses global environmental issues like climate change and are captured in Principle 2.

**3. Does the company identify and assess potential environmental risks? Y/N**

Environmental Risks are integrated in the Company's Enterprise Risk Management (ERM) processes and the detail process is covered in EHS Manuals that are based on ISO 14001 Environment Management System Standard. All manufacturing units are certified as per ISO 14001 standard.

As a part of the environment management system, the environmental risks are addressed in the following elements:

- Identification and evaluation of environmental aspects and its impacts
- Identification of risk of Legal non-compliance
- Identification of risks due to Environmental emergencies

Once risks are identified, steps are taken to measure and mitigate these risks through the Management System approach.

**4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

Siemens Limited currently does not have any project related to Clean Development Mechanism.

**5. Has the company undertaken any other initiatives on- clean technology, energy efficiency, renewable energy, etc? Y/ N. If yes, please give hyperlink for web page etc.**

Siemens Limited commitment towards clean technology and energy efficiency is not limited to the design of new products but extends to the manufacturing plants as well.

- i. Besides the initiatives that continued from last year Siemens Limited has undertaken 13 energy efficiency initiatives across all manufacturing and office locations. These have culminated in a total savings of 205.9 Mega Watt hours (MWh) of electricity hence reduction of 162.6 tonnes of CO<sub>2</sub> in FY 2020-21.

Sr. No.	Initiatives	Locations	Savings
1	<ul style="list-style-type: none"> <li>Installation of water misting system on Phase 1 Air conditioners condenser coils</li> </ul>	EP Factory at Kalwa	3 MWh
2	<ul style="list-style-type: none"> <li>Replaced screw type compressor line by portable compressors with the required pressure capacity for both the VPI plants</li> </ul>	SMO Nashik	15.3 MWh
3	<ul style="list-style-type: none"> <li>Installation of high efficiency IE 4 motor at Injection molding machine Engel 50T in the Switchgear factory</li> <li>Installation of Variable Frequency Drive (VFD) for plastic shop fume extractor panel in the Switchgear factory</li> <li>Installation of high efficiency IE 4 motor for Air Handling Unit (AHU) 6 in the Switchgear factory</li> </ul>	Kalwa	12.6 MWh
4	<ul style="list-style-type: none"> <li>Replaced all Compact Florescent Lamp (CFL) to Light Emitting Diode (LED) light fittings</li> </ul>	Puducherry	23.8 MWh
5	<ul style="list-style-type: none"> <li>Reduced size of heating ovens used for resin fielding on winding of motor and doubled the heating capacity for production in Mobility Traction Motor factory</li> </ul>	Nashik	0.6 MWh
6	<ul style="list-style-type: none"> <li>Replaced old direct expansion (DX) invertor unit by new efficient invertor DX unit in AIS factory</li> <li>Sub-zero provided to control operations of Split Air Conditioners (AC) in auto mode while earlier both AC blowers remained in on condition in AIS factory</li> <li>Stopping air blower operation for thirty minutes after every four hours</li> <li>Replaced individual UPS with redundancies by Centralized UPS (Uninterrupted Power Supply)</li> <li>Stopping inter operational conveyor belts during breaks in Electronics product factory</li> <li>Stopping compression molding machines during idle operation period in Electronics product factory</li> </ul>	Aurangabad	150.6 MWh

- ii. Waste management initiatives are continuously undertaken across our various manufacturing and office locations to reduce, reuse and recycle.

In the Nashik factory, reduction in plastic consumption by providing special trolley to store the components directly and avoiding plastic bags. 4,080 tonnes of plastic have been saved.

- iii. In the effort to shift to renewable energy sources, roof top solar photovoltaic power generation plants have been installed in the Kalwa and Aurangabad factories. This has generated 3,690 Mega Watt hours of renewable energy resulting in a saving of 2,915 tonnes of CO<sub>2</sub> emissions.

**1. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Siemens Limited follows the applicable environmental laws and regulation. The Company's emissions, effluents and waste are within Central and State Pollution Control Boards permissible limits.

2. Number of show cause/ legal notices received from CPCB/SPCB which is pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There were no show cause/ legal notices in the year.

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**PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER**

**1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

In efforts to influence sustainability actions and enable technology through sharing of best practices, Siemens is a member of various Technical Committees of Bureau of Indian Standards and on the Executive/Subject Councils. Some of the key trade/industry associations where Siemens is represented include:

1. Bombay Chamber of Commerce and Industry (BCCI)
2. Bureau of Indian Standards (BIS)
3. Bureau of Energy Efficiency (BEE)
4. Confederation of Indian Industry (CII)
5. Indian Electrical & Electronics Manufacturers' Association (IEEMA)
6. Indo German Chamber of Commerce (IGCC)
7. Federation of Indian Chambers of Commerce and Industry (FICCI)
8. Indian Merchant Chambers (IMC)
9. IMTMA (Indian Machine Tool Manufacturers Association)
10. Capital Goods Sector Skill Council of India
11. Quality Council of India and National Board for Quality promotion

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)**

Through membership with trade and industry associations, the Company has advocated on standardization in technical regulation, e-mobility and infrastructure (chargers), renewable energy, energy storage, distributed energy systems, smart grids and digitalization, business ethics and skill development. The Company continuously makes efforts to further contribute on specific sustainable business issues.

**PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

**1. Does the company have specified programmes / initiatives/projects in pursuit of policy related to Principle 8? If yes details thereof**

Siemens Limited wishes to sustainably enhance living conditions for as many people as possible. The Company works towards that goal with business activities that address the challenges of time such as Demographic change, Urbanization, Climate Change, Globalization and Digitalization. The Company-wide Corporate Social Responsibility policy forms a part of the Sustainability and Citizenship priority area. The Company considers it, their economic, environmental and social responsibility to foster sustainable local development as well as add value to the local economy in which it operates. The Company derives their sustainability initiatives from these challenges. These initiatives are generally known as Corporate Social Responsibility (CSR), are referred to as Corporate Citizenship in Siemens.

The CSR strategy is in line with the Company's goal to address the three dimensions of Sustainability that are Economic, Environment and Social. Hence, the strategy focuses on: Education, Social, and Environment. The strategy aims to address the challenges and needs that communities face by leveraging the Company's competencies and solutions. It is oriented towards the Country's development agenda and the UN Sustainable Development Goals. The details are available in the Annexure VI of Annual Report FY 2020-21 (CSR Report).

**2. Are the programmes /projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

Siemens Limited has a team of Project Managers that are responsible for designing, planning, implementation, monitoring and evaluation of CSR activities. The Project Managers prepare reports at regular intervals to be presented to the CSR Committee of the Company. The Company partners with like-minded implementing NGO and government organizations to work towards the Company's CSR community development initiatives. Corporate volunteering plays a key role for Siemens and employees can annually avail seven working days for volunteering activities for the cause of their choice towards CSR projects.

**3. Have you done any impact assessment of your initiative?**

The Company's CSR community development initiatives are long term impact-oriented projects as per the focus areas. The Project Managers will perform a periodic assessment of the relevance, performance, efficiency, and impact of the projects / programs. The CSR Committee will initiate Impact Assessment of projects where the need is felt and/or is required under the law. Review is conducted for all projects and the progress of the projects is being measured using the baseline. The projects output, outcome and impact are monitored and measured on regular intervals along with the implementing partners and presented to the CSR Committee. The impact of the CSR activities is mentioned in the Annexure VI of Annual Report FY 2020-21 (CSR Report).

**4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

During the year, the Company spent INR 274.6 million towards various community development projects. The details of the projects undertaken are given in the Annexure VI of Annual Report FY 2020-21 (CSR Report).

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

All Corporate Social Responsibility projects work towards development of sustainable communities. Hence, all the initiatives are planned, monitored and evaluated in partnership with the stakeholders throughout the project life cycle. The project is identified and developed as a facilitator to empower the communities through knowledge transfer and capacity building programs to sustain the initiatives after completion. All projects aim to form and strengthen Community Based Organizations (CBOs) which act as catalyst towards community development. Furthermore, holistic development programs to increase curiosity and inquiry-based learning of students and ITI trainees, make them industry ready and increase employability. All projects are working towards empowering communities, strengthening the value chain and the skilling ecosystem.

**PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER**

**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

There are no consumer cases.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)**

Siemens Limited adheres to all applicable laws and regulations on product labeling. Beyond that the Company also adheres to the product labelling norms as applicable and required as per global established standards. To define environmental measures when designing products, services and solutions, Siemens globally employs quantitative methods such as LCAs (Life Cycle Assessment) to estimate environmental impacts of our portfolio. In additions, it uses EPD (Environmental Product Declarations) globally for communication.

**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so**

There is no case filed by any stakeholder against the Company regarding unfair trade practices and irresponsible advertising during the last five years and pending as on end of financial year. However, there is an anti-competitive case filed against another Siemens entity to which the Company has also been made a party. The Company has sought directions from the Competition Commission of India to remove itself as party, since according to the Company it is not a proper party. This case has now been closed by the Competition Commission of India by order dated 13.08.2021.

**4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

Siemens Limited carried out consumer survey based on Net Promoter Score (NPS). NPS is an internationally followed and recognized tool based on the commonly applied performance indicator. The NPS has quadrupled over the past eight years. From 19 in FY 2012-13 it has increased to 79 in in FY 2020-21. In addition to the Annual Corporate Survey, customer feedback is gathered at the end of key customer interactions, during project management as well as service delivery. The input is analyzed for bringing about continual improvements.